



Employer Services Division
P.O. Box 942709
Sacramento, CA, 94229-2709
TTY for Speech and Hearing Impaired: (916) 795-3240
888 CalPERS (or **888-225-7377**) FAX (916) 795-3005

January 4, 2010

The Employer Services Division is pleased to announce the publication of the latest edition of the CalPERS Public Agency and Schools Procedures Manual. This edition will be available exclusively online from the CalPERS website **www.calpers.ca.gov**. In addition to saving on production costs, the online version allows us to make changes more quickly, and timely communicate the latest information. This new online edition, with its updated information, should replace in its entirety any previous editions you or your staff may have.

This Manual is designed to assist you, the employer, in your business transactions with CalPERS. We encourage you to make this Manual available to all staff who have the responsibility of enrolling employees into CalPERS membership or who convey benefit information to staff.

The Employer Services Division strives to keep this Manual up to date and provide simplified explanations for often complex laws. Please keep in mind that should there be a conflict between the language in this Manual and the Public Employees' Retirement Law (PERL), the law will prevail. Periodic updates about changes to CalPERS policies and procedures will continue to be provided to you by means of Circular Letters and CalPERS Employer eBulletins. If you are not already enrolled to receive eBulletins, you should do so immediately at *CalPERS On-Line*. The CalPERS Employer eBulletin system allows you to stay informed with the latest in employer news.

If you have comments or suggestions for future editions of the CalPERS Procedures Manual, please contact us. We welcome your feedback and ideas.

LORI MCGARTLAND, Chief
Employer Services Division

THIS PAGE INTENTIONALLY LEFT BLANK

PROCEDURES MANUAL

CALIFORNIA PUBLIC EMPLOYEES'
RETIREMENT SYSTEM



2010 EDITION
EMPLOYER SERVICES DIVISION

THIS PAGE INTENTIONALLY LEFT BLANK

TABLE OF CONTENTS

GENERAL INFORMATION TABLE OF CONTENTS	1
General Information	3
Regional Office Locations	5
CONTRACT COVERAGE PROCEDURES TABLE OF CONTENTS	7
Annual Employer Statement	8
County School Coverage	9
Optional Contract Provisions for County Schools	11
Public Agency Contract Information	14
MEMBERSHIP PROCEDURES TABLE OF CONTENTS	16
Determining Membership Eligibility	18
Positions Excluded by Retirement Law (PERL) from CalPERS Coverage	19
Optional Members of CalPERS	21
CalPERS Membership Eligibility	24
School Employment: CalPERS or CalSTRS?	29
Membership Categories	33
Electronic Enrollment — Automated Communications Exchange System (ACES)	43
CalPERS Member Action Request Form (PERS-AESD-1) Downloading Instructions	44
Election of “Optional” Membership (PERS-AESD-59)	46
Instructions to Complete the PERS-AESD-59	48
Election of “Optional” Membership	48
(PERS-AESD-59) Sample Form	49
Overtime Positions	50
Birth Date Discrepancy	51
Notice of Change PERS-MEM-155 (CalPERS-Initiated Form)	52
Full Reciprocity	54
Reciprocity Requirements	55
Rights and Benefits with Full Reciprocity	56
CalPERS Benefits for Non-Qualifying Individuals	57
CalPERS Benefits Arising from Movement to Reciprocal and Certain Non-Reciprocal Public Retirement Systems	58
How to Notify CalPERS when the Member Changes Retirement Systems	59
Employer Certification of Service Credit Purchase Options	60
Authorization for Contribution and/or Rate Adjustment PERS-MEM-823A (CalPERS-Initiated Form)	66
COMPENSATION REVIEW TABLE OF CONTENTS	69
General Information for All Reporting Methods	70
PAYROLL REPORTING PROCEDURES TABLE OF CONTENTS	97
Payroll Reporting Elements	98
Payroll Reporting Element Relationships	103
Selecting and Reporting Contribution Codes	104
Contribution Reporting Procedures	113
Schools Payroll Reporting	116
Prior to AB 2177 (Service prior to January 1, 2001)	117
AB 2177 Implemented (Service on or after January 1, 2001)	116
Basic Contribution Calculation	117

Contribution Reporting Procedures.....	118
Pay Rate/Earnings Relationship	123
Payroll Reporting System — Personal Computer Method + ACES.....	135
Payroll Reporting System — Diskette/Magnetic Tape Methods.....	137
Payroll Reporting System — Diskette/Magnetic Tape Methods Two Digit Service Period Year.....	142
Payroll Reporting System — Diskette/Magnetic Tape Methods Four Digit Service Period Year.....	144
Pre-List (PERS-AESD-625A).....	146
Payroll Listing.....	149
All Computerized Reporting Methods.....	149
Supplemental Payroll Reporting Form.....	150
All Computerized Reporting Methods (PERS-AESD-624).....	150
Supplemental Payroll Reporting Form (PERS-AESD-624).....	151
Reporting Deadlines, Penalties, Waivers and Extensions.....	154
Summary Report Member and Employer Contributions (PERS-AESD-626) All Reporting Methods.....	155
Summary Report (PERS-AESD-626).....	156
Example: Advance Payment PERS-AESD-626.....	159
Example: Summary Submitted After an Advance Payment PERS-AESD-626.....	160
Notice of Adjustment, Employer Contributions (PERS-ACC-344) CalPERS- Initiated Form.....	161
PERS-ACC-344	162
Notice of Adjustment (PERS-ACC-1520) CalPERS-Initiated Form.....	163
PERS-ACC-1520	164
Payment of Contributions Using Electronic Funds Transfer (EFT).....	165
Electronic Payment Services	167
Payroll Discrepancies.....	1711

BENEFITS PROCEDURES TABLE OF CONTENTS..... 173

Beneficiary Designation Form (PERS-BSD-241) (Prior to Retirement).....	175
Instructions to Complete the PERS-BSD-241.....	176
Reporting an Imminent Death or Terminal Illness Power of Attorney.....	181
Death of an Active Member.....	182
Information for Family of Deceased	184
Retirement — General	186
Service Retirement.....	189
Deductions after Retirement	197
Disability Retirement and Industrial Disability Retirement	199
Employment of a Retiree.....	219
Request For Re-Employment Government Code Section 21228.....	224
Reinstatement from Retirement.....	225
Beneficiary Designation (After Retirement).....	227
Death of a Retiree.....	231
Tax and Income Reporting Information.....	232
Refund of Member Contributions	233

CALPERS PROGRAMS, CLASSES, AND WORKSHOPS TABLE OF CONTENTS..... 235

CalPERS Automated Communications Exchange System (ACES).....	236
CalPERS Deferred Compensation Program.....	238
CalPERS Long-Term Care.....	240
California Employers' Retiree Benefit Trust (CERBT) Fund	241
CalPERS Member Home Loan Program	243
CalPERS Health Benefits (PEMHCA).....	244
CalPERS Education and Events.....	245

CALPERS WEB SERVICES, FORMS, AND PUBLICATIONS TABLE OF CONTENTS	247
CalPERS Web Services.....	248
Ordering Forms and Publications	249
List of CalPERS Publications.....	250
CalPERS Forms Referenced in Manual	251
APPENDIX.....	293

The information provided in this publication is for your convenience and reference as a general guide only and cannot be relied upon as an authoritative source for the law, practices, or policies of CalPERS. While CalPERS tries to include only accurate, timely and complete information in its publications, summaries, guidelines and other advisory printed materials, sometimes information provided in printed materials may be or become inaccurate, untimely, incomplete, unclear or misleading. In all instances, the law then in effect, not this publication, controls the application of the Public Employees' Retirement Law. It is the reader's responsibility to independently verify the accuracy of the information contained in this publication before engaging in a course of action.

THIS PAGE INTENTIONALLY LEFT BLANK

GENERAL INFORMATION

TABLE OF CONTENTS

General Information	3
---	---

Regional Office Locations	5
---	---

The information provided in this publication is for your convenience and reference as a general guide only and cannot be relied upon as an authoritative source for the law, practices, or policies of CalPERS. While CalPERS tries to include only accurate, timely and complete information in its publications, summaries, guidelines and other advisory printed materials, sometimes information provided in printed materials may be or become inaccurate, untimely, incomplete, unclear or misleading. In all instances, the law then in effect, not this publication, controls the application of the Public Employees' Retirement Law. It is the reader's responsibility to independently verify the accuracy of the information contained in this publication before engaging in a course of action.

THIS PAGE INTENTIONALLY LEFT BLANK

GENERAL INFORMATION

This Manual is designed to help you in your preparation of information for the California Public Employees' Retirement System. The manual is divided into seven sections:

- Contract Coverage
- Membership Procedures
- Compensation Review
- Payroll Reporting Procedures
- Benefits Procedures
- Programs, Classes, and Workshops
- Web Services, Forms and Publications

These sections cover the main areas of the System's operation. Subjects covered within each section are outlined in the table of contents.

UPDATES TO THIS MANUAL

Since this Manual is being distributed via **CalPERS On-Line** only, updates will be provided in the same way. Each section will have a revision date to ensure you are using the most current information available. Please check the Procedure Manual home page on **CalPERS On-Line** for the list of revision dates. Updates will be announced via CalPERS Employer eBulletins.

MANUAL COORDINATOR RESPONSIBILITIES

Use the manual at the CalPERS Web site (www.calpers.ca.gov) as your resource to answer questions. Please call the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**) if you need additional assistance.

The Procedures Manual is provided with the intent of making information available to all employees. Manuals can be downloaded or printed directly from www.calpers.ca.gov, and should be placed in a central visible location within the work area. Each employee involved with CalPERS responsibilities should be instructed in the location and proper use of the manual.

CONFIDENTIALITY OF MEMBER DATA

For the member's protection, each employee involved with CalPERS reporting should be aware of Government Code section 20230, which states: "Data filed by any member or beneficiary with the Board is confidential, and no individual record shall be divulged by any official or employee having access to it to any person other than the member to whom the information relates or his authorized representative, the contracting agency or school district by which he is employed, any state department or agency, or the university. Such information shall be used by the Board for the sole purpose of carrying into effect the provisions of this part. Any information which is requested for retirement purposes by any public agency shall be treated as confidential by such agency."

HEADQUARTERS OFFICE LOCATION

Board of Administration
California Public Employees' Retirement System
400 Q Street, Room 3340, Lincoln Plaza North
Sacramento, CA 95811
(916) 795-3000

TDD (Speech and Hearing Impaired)
(877) 249-7442
California Relay Service –
Telecommunications Device for the Deaf
(800) 735-2929

CUSTOMER SERVICE AND OUTREACH DIVISION

888 CalPERS (or **888-225-7377**)
(916) 795-3005 (Fax)

The CalPERS Customer Contact Center acts as a single point of contact for employers.

EMPLOYER INFORMATION

- Actuarial services
- CalPERS Education Center enrollment
- Communication services
- Compensation review
- Constituent services
- Emergency retirements
- Employer contracts
- Employer education

- Employer statements
- Health enrollment transactions
- Health plan eligibility
- Initiate employer contract amendments
- Payroll discrepancies
- Payroll file transfer
- Payroll reporting information
- Process death reports
- Public agency health billing
- Reciprocity information
- Requests for forms and publications
- Retirement application status
- Retirement eligibility
- Social Security Number discrepancies
- Update employer contacts

CALPERS CUSTOMER CONTACT CENTER

888 CalPERS (or **888-225-7377**)
(916) 795-3487 (FAX)

The CalPERS Customer Contact Center acts as a single point of contact for active and retired members.

MEMBER INFORMATION

- Address changes
- Changing beneficiaries
- Community property information
- Cost-of-living adjustments (COLAs)
- Direct deposit of monthly benefit payment
- Monthly retirement warrants
- Post-retirement death notifications
- Replacement of lost or stolen checks
- Retirement eligibility and payment
- Survivor and beneficiary information
- Tax withholding changes
- Working after retirement
- Health plan eligibility and enrollment
- Annual Member Statements
- Contribution adjustments
- First-tier and second-tier benefits
- Pension compensation review
- Pre-retirement death benefits
- Reciprocity refund information
- Service credit information
- Service or disability retirement
- Emergency retirements

CALPERS REGIONAL OFFICES

888 CalPERS (or **888-225-7377**)

AREAS OF SERVICE

- Public information counters
- Retirement counseling
- Retirement estimates

REGIONAL OFFICE LOCATIONS

REGIONAL OFFICES	COUNTIES SERVED			
Sacramento Regional Office 400 Q Street, Room 1820 Lincoln Plaza East Sacramento, CA 95811 888 CalPERS (or 888-225-7377) Fax: (916) 795-7917	Alpine Amador Butte Calaveras Colusa El Dorado Glenn	Lassen Modoc Mono Nevada Placer Plumas	Sacramento San Joaquin Shasta Sierra Siskiyou Stanislaus	Sutter Tehama Trinity Tuolumne Yolo Yuba
Walnut Creek Regional Office 1340 Treat Boulevard, Suite 200 Walnut Creek, California 94597 888 CalPERS (or 888-225-7377) Fax: (925) 746-8501	Alameda Contra Costa Del Norte Humboldt	Lake Marin Mendocino Napa	San Francisco Solano Sonoma	
Glendale Regional Office 655 North Central Avenue, Suite 1400 Glendale, CA 91203 888 CalPERS (or 888-225-7377) Fax (818) 662-4304	Los Angeles San Luis Obispo Santa Barbara Ventura			
San Bernardino Regional Office 650 East Hospitality Lane, Suite 330 San Bernardino, CA 92408 888 CalPERS (or 888-225-7377) Fax (909) 806-4820	Inyo Riverside San Bernardino			
Fresno Regional Office 10 River Park Place East, Suite 230 Fresno, CA 93720 888 CalPERS (or 888-225-7377) Fax (559) 440-4901	Fresno Kern King Madera Mariposa	Merced Monterey San Benito Tulare		
San Jose Regional Office 181 Metro Drive, #520 San Jose, CA 95110 888 CalPERS (or 888-225-7377) Fax (408) 451-8001	San Mateo Santa Clara Santa Cruz			
Orange Regional Office 500 North State College Blvd., Suite 750 Orange, CA 92868 888 CalPERS (or 888-225-7377) Fax (714) 939-470	Orange			
San Diego Regional Office 7676 Hazard Center Drive, Suite 350 San Diego, CA 92108 888 CalPERS (or 888-225-7377) Fax (619) 220-7201	Imperial San Diego			

THIS PAGE INTENTIONALLY LEFT BLANK

CONTRACT COVERAGE PROCEDURES

TABLE OF CONTENTS

<u>Annual Employer Statement</u>	8
<u>County School Coverage</u>	9
<u>Optional Contract Provisions</u>	11
<u>Amendment Procedures</u>	13
<u>Public Agency Contract Information</u>	14

The information provided in this publication is for your convenience and reference as a general guide only and cannot be relied upon as an authoritative source for the law, practices, or policies of CalPERS. While CalPERS tries to include only accurate, timely and complete information in its publications, summaries, guidelines and other advisory printed materials, sometimes information provided in printed materials may be or become inaccurate, untimely, incomplete, unclear or misleading. In all instances, the law then in effect, not this publication, controls the application of the Public Employees' Retirement Law. It is the reader's responsibility to independently verify the accuracy of the information contained in this publication before engaging in a course of action.

ANNUAL EMPLOYER STATEMENT

The Annual Employer Statement is a listing of benefits unique to your agency and is frequently required to complete CalPERS forms. The information listed is derived from your agency's contract with CalPERS.

The Annual Employer Statement is available online if you have access to ACES. Otherwise, you may request a copy from the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**). The headings are grouped for convenience in locating specific information. If the manual refers you to a specific heading that does not appear on your Annual Employer Statement, the item does not apply to your agency.

Additional Annual Employer Statements may be obtained by contacting CalPERS at **888 CalPERS** (or **888-225-7377**). For a quick reference, insert a copy of your current Annual Employer Statement following this page.

COUNTY SCHOOL COVERAGE

The County Superintendents of Schools were mandated into the California Public Employees' Retirement System, effective July 1, 1949, by the State Legislature (Government Code section 20063). Retirement coverage of CalPERS school members is uniform throughout the State with the exception of those County Superintendents of Schools who have contracted for Two Years Additional Service Credit (G.C. section 20904; see Optional Contract Provisions for County Schools). Effective January 1, 1986, a school district, County Board of Education, County Superintendent of Schools, or a personnel commission of a school district may contract for health insurance coverage through CalPERS (G.C. sections 22856 and 22857; see Health Benefits in CalPERS Programs).

The following provisions are mandated benefits provided to school members (Classified) by legislation:

MILITARY SERVICE CREDIT (G.C. SECTION 20997)

If a member was granted a military leave of absence under G.C. section 20990, entered the military within 90 days of leaving the agency and returned within 6 months of his/her discharge, the agency will pay all the contributions for the absence.

1959 SURVIVOR BENEFITS (G.C. SECTION 21574.7)

Members covered by the 1959 Survivor Benefit are not covered by Social Security. This benefit consists of a monthly allowance payable to eligible family members if the member's death occurs during employment.

SICK LEAVE CREDIT (G.C. SECTION 20963)

Employees who became members prior to July 1, 1980, will receive additional service credit at the rate of 0.004 years for each day of unused sick leave.

This benefit is not applicable to any person who becomes a member on or after July 1, 1980. This includes individuals who terminated their membership prior to July 1, 1980, whether or not they redeposit for that service after July 1, 1980.

SICK LEAVE CREDIT (G.C. SECTION 20963.5)

Credit for unused sick leave is applicable to all school members who retire after January 1, 1999. At retirement, each member will receive 0.004 years of service credit for each day of unused sick leave.

Credit for unused sick leave is not applicable to persons employed on or after July 1, 1980, who retire prior to January 1, 1999.

RETIRED DEATH BENEFIT (G.C. SECTION 21623)

This section provides that the death benefit paid to beneficiaries of retired members will be \$2,000.

POST-RETIREMENT SURVIVOR ALLOWANCE (G.C. SECTIONS 21629 AND 21630)

The Post-Retirement Survivor Allowance benefit provides that upon the death of a member after retirement for service or disability, an allowance shall be continued to the surviving spouse/domestic partner.

For service retirement, the spouse must be married to the member for one year prior to the member's retirement and be married continuously to the date of the retired member's death.

For a disability retirement, the surviving spouse/domestic partner need only be married to the member at retirement and remained married until the date of the member's death. Natural or adopted unmarried children under age 18 are eligible if the member has no eligible spouse. The children will receive this monthly benefit until their marriage or age 18. An unmarried child who was disabled prior to age 18 and whose disability has continued, without interruption, will receive this benefit until the disability ends or until their marriage. Qualifying dependent parents are eligible if the member has no eligible spouse or eligible children.

REDUCED WORKTIME PROGRAM

(G.C. SECTION 20905)

A full-time school member may reduce their work schedule to part-time employment and for that period of part-time employment, receive the credit he or she would have received if he or she was employed on a full-time basis.

The school member's retirement allowance, as well as any other benefits he or she is entitled to, will be based upon the full-time salary as long as both the employer and the school member make contributions to the retirement fund that would have been contributed if the member was employed on a full-time basis for that period of part-time employment. See program requirements under the Payroll Reporting Procedures section.

OPTIONAL CONTRACT PROVISIONS FOR COUNTY SCHOOLS

The following provisions are optional benefits that county schools may contract for:

OPTIONAL MEMBERSHIP FOR PART-TIME EMPLOYEES (G.C. SECTION 20325)

Regular part-time employees who are excluded from CalPERS membership because they work less than an average of 20 hours per week (pursuant to G.C. section 20305) may individually elect to become members if a County Superintendent of Schools, a school district, or a community college district adopts a resolution and transmits it through the County Superintendent of Schools to the CalPERS Board. The resolution will not be effective until received by CalPERS. A sample resolution may be obtained from CalPERS upon request.

Compulsory Social Security coverage will result for regular part-time employees regardless of whether they elect to join CalPERS.

Individuals who elect membership will have the same contribution rate as other employees in the same member classification. Individuals may exercise their membership election rights anytime while in employment. Individuals who become members may purchase previously excluded part-time service.

Employer Cost: School districts subject to this benefit must pay Social Security contributions for their part-time employees in addition to CalPERS contributions (if the member elects to join CalPERS).

Employee Cost: See description above.

SCHOOL POLICE AS "SCHOOL SAFETY MEMBERS" (G.C. SECTION 20444)

A school district or community college district which has a police department, pursuant to Education Code Section 39670 or 72330, may enter into a contract with CalPERS to reclassify those employees whose principal duties consist of active law enforcement as "member." The reclassification is retroactive to the date the employee was employed as a school police officer.

Adoption of this provision will require the district to join a risk pool as a contracting agency with a higher safety benefit formula factor than the schedule for the miscellaneous formula.

Districts may also provide any of the optional benefits listed which are available to "local safety members."

To initiate the process to enter into a contract, refer to the **Contract Amendment Procedures** (PERS-CON-41) available on the CalPERS Web site.

Employer Cost: Valuation required.

Employee Cost: The employee contribution rate will depend upon the safety retirement formula provided. Members subject to a safety formula other than the 2% @ 50, 3% @ 50, or 3% @ 55 formula, will have the right to elect to remain subject to the miscellaneous formula should they determine that the reclassification will be to their disadvantage.

TWO YEARS ADDITIONAL SERVICE CREDIT (G.C. SECTION 20904)

The County Superintendent of Schools may amend its contract to grant up to two years additional service credit to school members if the following conditions exist:

a) The member is employed in a job classification or other organizational unit designated by the County Superintendent of Schools and retires within the period designated by the County Superintendent of Schools. (This benefit cannot be provided on the basis of employee organization or non-represented groups.) The designated period must be subsequent to the amendment date and cannot be less than 90 days nor more than 180 days in length.

b) The County Superintendent of Schools must transmit an amount to the Retirement Fund that is the actuarial equivalent of the difference between the allowance the member would receive under this section and the allowance the member would receive without this section.

c) The County Superintendent of Schools must certify that the retirements under this section will either: (1) result in a net savings to the district or

County Superintendent of schools, or (2) result in an overall reduction in the work force of the organizational unit because of impending mandatory transfers, demotions, and layoffs that constitute at least one percent of the designated job classification, resulting from the curtailment of, or change in the manner of performing its services.

In order to be eligible to receive this service credit, the employees must already have at least five years service credit. Because the member must be in employment status with the County Superintendent of Schools (office or their school district) during the designated period, the retirement date cannot be the first day of the designated period. A member cannot receive credit under this section if he/she receives any unemployment insurance payments during the designated period. If the retired member subsequently re-enters membership, the additional service credit is forfeited.

Employer Cost: This amendment does not affect the employer contribution rate since the cost of the benefit is payable in lump sum. The cost of the benefit will be calculated after the expiration of the designated period and after the additional service credit has been credited to all eligible members.

To avoid interest charges, payment in full must be made within 30 days of the billing date. Otherwise, semi-annual installment payments including interest charges can be scheduled for up to five years from the billing date.

Employee Cost: None.

COST ESTIMATE FACTORS TWO-YEARS ADDITIONAL SERVICE CREDIT

Following is a chart which may be used to estimate the cost of providing the two years additional service credit benefit. Multiply the total annual pay rate for each person by the corresponding factor (always use the full-time pay rate). The result is the approximate cost of the benefit.

School Members (2% @ 55 Formula)	
Ages	
50-54	0.42
55-59	0.57
60-64	0.60
65-69	0.56

NOTE:

In addition, there is a \$10.00 valuation fee for each member who retires during the designated period and receives the additional service credit.

AMENDMENT PROCEDURES FOR G.C 20904

The procedures for contracting for G.C. section 20904 are as follows:

1. The County Superintendent of Schools must request to amend its CalPERS contract to provide G.C. section 20904. An authorized representative may call or write to request the necessary documents. (Individual districts must work in conjunction with the County Superintendent's Office to ensure that correct information is provided to CalPERS.)
2. CalPERS will provide the Resolution of Intention and other documents to be adopted by the governing body. G.C. section 7507 requires that cost implications incurred by an increase in retirement benefits must be made public at a public meeting at least two weeks prior to the adoption of the final resolution. The County Superintendent of Schools will establish a designated period and identify the district and/or classifications or groups eligible for the additional service credit. If the Resolution does not identify a specific district and/or classifications, all employees who retire during the designated period will receive the additional service credit.
3. In addition to providing a Certification of Publication of Costs, the County Superintendent will be required to:
 - a. Certify that because of an impending curtailment of, or change in the manner of performing service, the best interests of the County Superintendent of Schools would be served by granting such additional service credit.
 - b. Certify that it is the intention at the time G.C. section 20904 becomes operative that the retirements under this section will either: (1) result in a net savings to the district or County Superintendent of Schools, or (2) result in an overall reduction in the work force of the organizational unit because of impending mandatory transfers, demotions, and layoffs that constitute at least one percent

of the designated job classification, resulting from the curtailment of, or change in the manner of performing its services.

4. The Government Code provides that the final documents, which actually amend the agency's contract, cannot be adopted by the governing body earlier than 20 days following the adoption of the Resolution of Intention documents. Upon receipt of the properly adopted Resolution of Intention with the required certifications, CalPERS will send the final documents and instructions.
5. After the contract has been amended to include G.C. section 20904, the County Superintendent of Schools may provide an additional designated period for granting two years of additional service credit for school members. CalPERS provides the resolution and documents necessary to establish additional designated periods upon request from the Office of the County Superintendent of Schools. If the Resolution does not identify a specific district and/or classifications, all employees who retire during the designated period will receive the additional service credit. The school districts within that county may request the Superintendent of Schools to pass a resolution to establish a designated period for certain classifications within that school district. Since CalPERS contracts with the County Superintendent of Schools and not the individual school districts, all correspondence requesting designated periods and the resulting resolutions must be adopted by the Office of the County Superintendent of Schools. Any number of designated periods may be established, but not overlap.
6. After the expiration of each designated period, the Office of the County Superintendent of Schools will be notified of the actual cost of the additional two years of service credit which was granted to the eligible members who retired during that period. Payment in full may be remitted within 30 days to avoid an interest charge;

or semi-annual installment payments including interest charges can be scheduled for up to five years from the billing date.

**\$3,000, \$4,000, OR \$5,000 RETIRED
DEATH BENEFIT (G.C. SECTION
21623.6)**

The lump sum death benefit paid to beneficiaries of retired members will be \$3,000, \$4,000, or \$5,000. This benefit would be applicable to deaths occurring after the effective date of the contract amendment. The actuarial valuation request must specify the selected benefit amount. The benefit must be applicable to all districts under the jurisdiction of the County Superintendent.

Employer Cost: Valuation required.

Member Cost: None.

NOTE: Any questions on these procedures should be directed to the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**) or visit the CalPERS Web site at **www.calpers.ca.gov**.

PUBLIC AGENCY CONTRACT INFORMATION

AMENDMENTS

The updated ***Optional Benefits Listings*** (PERS-CON-40) contains all of the benefits your agency can contract for and is available on our Web site at the following link.

<http://www.calpers.ca.gov/index.jsp?bc=/employer/program-services/retirement/contract-info/optional-benefits/home.xml&pat=PAER>

PROCEDURES

The ***Contract Amendment Procedures*** (PERS-CON-41) are available online at the CalPERS Web site at the following link.

<http://www.calpers.ca.gov/index.jsp?bc=/employer/program-services/retirement/contract-info/optional-benefits/home.xml&pat=PAER>

RISK POOLING (G.C. SECTIONS 20840, 20841, 20842)

Risk pooling is the process of combining assets and liabilities across employers to produce large risk sharing pools. These risk sharing pools will help reduce or eliminate the large fluctuations in the employer's contribution rate caused by unexpected demographic events. CalPERS has been working toward implementing risk pools since 1995 and completed the implementation for public agencies in the fall of 2004. Risk pools became effective July 1, 2005.

Assembly Bill 1974 of the 2001-2002 Legislative session (which added G.C. sections 20840, 20841, and 20842 to the California Government Code) allowed the CalPERS Board to create risk pools and mandate public agency participation in those pools. Article 7.6 was added to Title 2 of the California Code of Regulations establishing the criteria for participation into risk pools.

For additional information visit the CalPERS Web site at **www.calpers.ca.gov** or contact the CalPERS Customer Contact Center at **888 CalPERS** (or 888-225-7377).

THIS PAGE INTENTIONALLY LEFT BLANK

MEMBERSHIP PROCEDURES

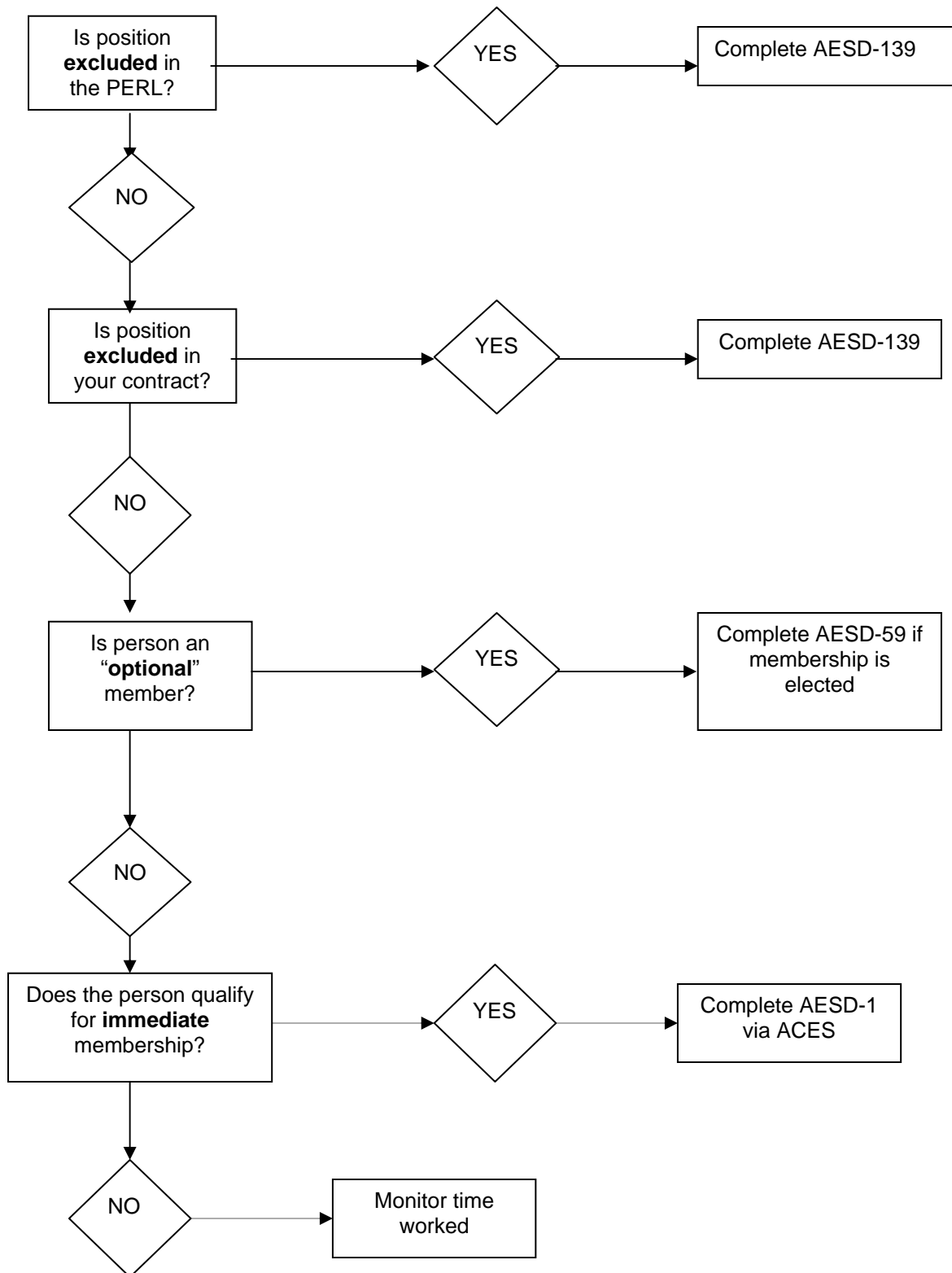
TABLE OF CONTENTS

<u>Determining Membership Eligibility</u>	18
<u>Positions Excluded by Retirement Law (PERL)</u>	19
<u>Optional Members</u>	21
<u>Membership Eligibility</u>	24
<u>Alternate Retirement Plan Flow Chart</u>	28
<u>School Employment: CalPERS or CalSTRS?</u>	29
<u>CalPERS/CalSTRS Flow Chart</u>	32
<u>Membership Categories</u>	33
<u>Electronic Enrollment (ACES)</u>	43
<u>Member Action Request Information (PERS-AESD-1)</u>	44
<u>PERS-AESD-1 Downloading Instructions</u>	44
<u>PERS-AESD-1 Sample Form</u>	45
<u>Election of Optional Membership</u>	46
<u>PERS-AESD-59 Instructions</u>	48
<u>PERS-AESD-59 Sample Form</u>	49
<u>Overtime Positions</u>	50
<u>Birth Date Discrepancy</u>	51
<u>Notice of Change (PERS-MEM-155) Instructions</u>	52
<u>PERS-MEM-155 Sample Form</u>	53
<u>Full Reciprocity</u>	54
<u>Reciprocity Requirements</u>	55
<u>Rights and Benefits with Full Reciprocity</u>	56
<u>Benefits for Non-Qualifying Individuals</u>	57
<u>Benefits Arising from Movement / Reciprocal and Non-Reciprocal Systems</u>	58
<u>How to Notify CalPERS when a Member Changes Retirement Systems</u>	59
<u>Employer Certification of Service Credit Purchase Options</u>	60
<u>Additional Information for Service Credit Purchase Options</u>	65
<u>Contribution / Rate Adjustment (PERS-MEM-823A)</u>	66
<u>PERS-MEM-823A Sample Form</u>	67

The information provided in this publication is for your convenience and reference as a general guide only and cannot be relied upon as an authoritative source for the law, practices, or policies of CalPERS. While CalPERS tries to include only accurate, timely and complete information in its publications, summaries, guidelines and other advisory printed materials, sometimes information provided in printed materials may be or become inaccurate, untimely, incomplete, unclear or misleading. In all instances, the law then in effect, not this publication, controls the application of the Public Employees' Retirement Law. It is the reader's responsibility to independently verify the accuracy of the information contained in this publication before engaging in a course of action.

THIS PAGE INTENTIONALLY LEFT BLANK

DETERMINING MEMBERSHIP ELIGIBILITY



POSITIONS EXCLUDED BY RETIREMENT LAW (PERL) FROM CALPERS COVERAGE

The following is a list of positions that are excluded from CalPERS coverage as stated by California Public Employees' Retirement Law (PERL):

PERSONS WHO ARE NOT "EMPLOYEES" OF A CALPERS-COVERED AGENCY

Only compensated "employees" of agencies contracting with CalPERS for retirement coverage are eligible for CalPERS membership. CalPERS uses the "Common Law Control Test" as a guide to determining whether or not an individual is an employee, as well as which entity (if more than one) is purportedly employing a worker.

The Supreme Court decision in the case of Metropolitan Water District of Southern California v. Superior Court of Los Angeles (32 Cal. 4th 491) may be referenced for additional guidance in this area. The Court concluded that the law "requires contracting public agencies to enroll in CalPERS all common law employees except those excluded under a specific statutory or contractual provision." This decision also cited the Tieberg v. Unemployment Ins. App. Bd. Case (2 Cal.3rd 949), which stated that, "The right to control the means by which the work is accomplished is clearly the most significant test of the employment relationship."

INDEPENDENT CONTRACTORS

Independent contractors are not "employees" and are excluded from membership in CalPERS by G.C. section 20300(b). An independent contractor is someone who contracts to do a piece of work according to his or her own methods, and is not subject to the contracting entity's control as to the end product, final result of work, or manner and means by which the work is performed.

CalPERS also uses the "Common Law Control Test" as a guide to determining independent contractor status.

A "contract employee" (i.e., a common law employee who periodically signs an employment contract) is eligible for CalPERS membership, if otherwise qualified.

NOTE:

CalPERS commonly corresponds with agencies (e.g., sends a questionnaire to be completed by both the worker and the contracting entity) in order to determine whether a worker is an "employee" of a CalPERS covered agency, an employee of a non-CalPERS agency, or is an independent contractor. It is important that such questions be answered authoritatively by an appropriate certifying officer at your agency, since the employer may be liable for arrears costs (if membership is determined to be applied retroactively), or for service credit purchased by the employer, if the worker is found to be an "employee" of your agency.

MEMBERS OF OTHER RETIREMENT SYSTEMS

Persons who are receiving credit in another public retirement system (federal, state, county, city, or other local) are excluded from receiving credit with CalPERS for that same service by G.C. section 20303.

NOTE:

Persons can have actively-employed membership in two or more public retirement systems (e.g., CalSTRS and CalPERS), as long as it is for different positions.

ELECTED OR APPOINTED OFFICERS

G.C. sections 20322-20325 exclude certain public officers and employees from membership unless an election is filed with CalPERS to elect membership. Those persons qualifying for such optional membership are predominately, but not exclusively, elective and appointive officers of public agencies and schools.

Refer to the "Optional Members of CalPERS" section for more complete information to determine who is thus excluded, but also eligible under "optional" member provisions.

STUDENT ASSISTANTS/AIDES

A student in public school who is also employed in the same district in which he/she is a student and whose student status is a prerequisite for employment, is excluded from CalPERS membership by G.C. section 20300(c).

TEMPORARY TEACHER-ASSISTANT CERTIFICATE

Persons employed as teacher-assistants under Education Code section 44926 (who possess a temporary certificate to serve as a teacher-assistant, and are enrolled in a California teacher training institution) are excluded from CalPERS membership by G.C. section 20300(d).

PROFESSIONAL LEGAL SERVICES TO A CITY

Persons rendering professional legal services to a city are excluded under G.C. section 20300(h) with the exception of persons in one of the following offices/positions:

1. The office of city attorney;
2. The office of assistant city attorney; or
3. An established position of deputy city attorney.

However, a city attorney, assistant city attorney, or deputy city attorney, may also be eligible for the "optional" member provisions of G.C. section 20322. Refer to the "Optional Members of CalPERS" section for further information.

INMATES OF PUBLIC AGENCY INSTITUTIONS

Such persons (e.g., a prison/penitentiary or mental hospital) are excluded from CalPERS membership by G.C. section 20300(a), even if receiving compensation for such services as they perform.

BOARD MEMBERS OF THE STATE COMPENSATION INSURANCE FUND

Board Members of the State Compensation Insurance Fund, including those appointed by the Governor.

ADDITIONAL INFORMATION

CONTRACT EXCLUSIONS (PUBLIC AGENCIES ONLY)

G.C. section 20502 gives CalPERS authority to grant to contracting agencies exclusions from CalPERS coverage. Such exclusions may not be made for individual employees (e.g., City Manager, Fire Chief, etc.) but must be for groups of employees, in categories such as by departments or duties (e.g., Lifeguards; Crossing Guards; federally-funded non-civil service employees, etc.).

Any current exclusions in your agency's CalPERS contract will be shown in your Annual Employer Statement. CalPERS Board [Resolution MSD-97-01](#) provides the criteria used to review and approve/deny requested contract exclusions. As a general guideline, the exclusion of groups of employees who are career employees, or could reasonably be anticipated to become career employees, is not permitted.

Such exclusions, when granted, are effective only with respect to future entrants into such a group; persons employed in this group prior to the exclusion are not affected by the addition of such an exclusion, even if they have not yet qualified for CalPERS membership.

INVALID/SUPERSEDED CONTRACT EXCLUSIONS

There are some agencies with contract exclusions which were granted prior to January 1, 1975, where the basis for the exclusion was the "temporary" or "seasonal" employment base of the employees. Such exclusions have been superseded by G.C. section 20305; therefore, such exclusions no longer apply with respect to employees entering such employment after January 1, 1975.

G.C. section 20305(b) states that this section "shall supersede any contract provision excluding persons in any temporary or seasonal employment basis and shall apply only to persons entering employment on or after January 1, 1975. Except as provided in G.C. section 20502, no contract or contract amendment entered into after January 1, 1981, shall contain any provision excluding persons on an irregular employment basis."

Employees not excluded by contract must still meet the normal criteria for membership in CalPERS.

"OPTIONAL" MEMBERS OF CALPERS

NOTE:

Changes in legislation have made "optional" member eligibility determinations more complex. This section provides basic information by employer and/or "optional" position category to assist in making those determinations. However, if you have any questions concerning "optional" membership eligibility or rights, we encourage you to contact us.

The Government Code provides "optional" membership rights for certain public officers and employees. Those eligible "optional" members are excluded from membership unless and until a written election for membership is filed with CalPERS. (Refer to the **Election of Optional Membership** (PERS-AESD-59) section for instructions on how to establish "optional membership." This form can be downloaded on the CalPERS Web site.) Membership becomes effective from the date the election is signed and sent to CalPERS.

Once membership has been elected, an "optional" member may elect to contribute and receive service for previous qualifying employment. See the publication **CalPERS Service Credit Purchase Options** (PUB-12) for more information.

When an "optional" member purchases credit for prior employment, it will not change the membership date.

GENERAL PRINCIPLES

1. Elected or appointed officials who do not receive "compensation" other than reimbursement of expenses (or who waive such compensation) can not be reported in membership, or receive service credit.
2. Once membership is elected and established, "optional" members are generally subject to the same CalPERS laws and regulations that apply to compulsory members (except as stated below).
3. There is no government code provision to allow for cancellation of membership prior to separation from employment. Once elected, membership must be continued for all future

consecutive "optional" member positions with the same employer as long as the future positions are not excluded by law or contract.

4. For members of a City Council or County Board of Supervisors first elected or appointed on or after July 1, 1994 (unless continuously in employment since June 30, 1994), final compensation at retirement for service in this office will be based *only* on salaries earned in such office. (G.C. section 20039)
5. Optional members as listed below receive full-time service credit and are deemed full-time employees for all CalPERS purposes (G.C. section 20899). Therefore, contract exclusions of less than full-time employees do not apply to them

NOTE: Such full-time status may result in an overtime situation, if the member has any other concurrent CalPERS positions. (See "Overtime Positions" section for more information.)

Optional members at public agencies and schools are those defined by G.C. section 20322, to include the following groups:

ELECTIVE OFFICERS

Persons elected by vote of the people (e.g., Mayor, City Council members, County Supervisors, Sheriff, District Attorney, City Clerk, etc.). This also includes persons who are appointed to fill the unexpired office of an elective officer (e.g., a person appointed by a City Council to fill the remainder of a term for a member who resigns; or dies in office).

NOTE:

County Board of Education members are considered, for CalPERS purposes, as employees of the county, rather than employees of the County Superintendent of Schools, even if the board is fiscally independent of the county. Therefore, the county must contract for CalPERS coverage for such persons to be eligible, unless it provided G.C. section 20361.2 prior to its repeal effective July 1, 1994.

APPOINTIVE OFFICERS OF A CITY OR COUNTY

Persons who are appointed to a “fixed term of office” with a city or county are included in the definition of “elective officer” by G.C. section 20322(b). Such officers are listed in G.C. sections such as 24000, 36501, etc.

CITY ATTORNEY

Persons holding this office, provided they are common law employees, are eligible for “optional” membership in certain conditions:

- Prior to March 4, 1972, an elected City Attorney was an “optional” member. (An appointed City Attorney was not, but was subject to compulsory membership, if meeting the normal time base/appointment length qualifications for membership.)
- From March 4, 1972 through June 30, 1994, all City Attorneys were defined as “elective officers” and thus “optional” members whether or not they were actually elected to office.
- After July 1, 1994, all City Attorneys are excluded from the definition of “elective officer.” Thus, even if they are elected to office, they no longer are considered “elective officers” or “optional” members for CalPERS purposes. Consequently, they must now meet the normal time base/appointment length qualifications for membership. In addition, City Attorneys must take an oath prescribed by the constitution before entering the office. Failure to take and file the constitutional oath of office results in a vacancy in the office.

In addition to these, between January 1, 1986 and June 30, 1994, an Assistant/Deputy City Attorney in a city that had contracted for G.C. section 20361.3 (now repealed, but still applicable for an agency that contracted for it while it was law) was included in the definition of “elective officers,” and was thus an “optional” member - even though the individual had not been elected to office.

PART-TIME EMPLOYEES

Employers can contract for G.C. section 20325, to allow all part-time employees who work less than 20 hours a week for one year or more to elect “optional” membership. However, few

employers contract for this provision.

If such an amendment or resolution is adopted, all employees eligible to elect membership are automatically subject to the same Social Security coverage provided for members whether or not they elect membership. If such an eligible employee wishes to elect “optional” membership, they should complete the ***Election of Optional Membership - Part-Time Employee (PERS-AESD-229)*** form, which can be downloaded from the CalPERS Web site.

EXCLUSIONS FROM MEMBERSHIP

Since July 1, 1994, a large number of persons who formerly had “optional” membership rights have been excluded from membership entirely. Thus, not only are they no longer “optional” members, they are no longer eligible for CalPERS membership at all.

Those excluded are members of commissions, boards, councils, or similar legislative or administrative bodies (e.g., water districts, sanitation districts, redevelopment agencies, transportation commissions, etc.). Regular employees of such agencies are not excluded; only the members of the governing board of such bodies.

City Council members and members of a County Board of Supervisors are specifically not excluded from membership by these law changes, and remain eligible for “optional” membership (G.C. section 20322(c)).

Elective/appointive officers who are not serving on administrative bodies also remain eligible to elect “optional” membership (e.g., District Attorney, City Clerk, County Counsel, City Treasurer, etc.).

The exclusions only apply to persons first elected or appointed to office on or after July 1, 1994 (or on or after January 1, 1997), who did not continuously remain in their office.

A person who was first elected/appointed prior to July 1, 1994 and who continuously remained in this office, does still have the right to elect “optional” membership. For example, a person who was elected in 1990 and has remained continuously in the same office but has not yet elected “optional” membership, has the right to elect membership; whereas a person first elected

in 2000 does not have the right, and would be excluded from membership. The excluded positions are:

SCHOOL BOARD MEMBERS

Are excluded if they are first elected/appointed to their position July 1, 1994 or later (unless they have been continuously in the same position since before July 1, 1994).

ELECTED/APPOINTED OFFICERS OF ADMINISTRATIVE BODIES OF NON-CITY/COUNTY CONTRACTING AGENCIES

Members with a contracting agency other than a city or county are excluded if they are first elected/appointed to their position July 1, 1994 or later (unless they have been continuously in the same position since before July 1, 1994).

ELECTED/APPOINTED OFFICERS OF ADMINISTRATIVE BODIES OF ANY CONTRACTING AGENCIES

Members are excluded if they are first elected/appointed to their position January 1, 1997 or later (unless they have been continuously in the same position since before January 1, 1997). As stated above, City Council members, and County Supervisors are not excluded.

CALPERS MEMBERSHIP ELIGIBILITY

If a person is currently a member of CalPERS (i.e., has contributions/service on account that have not been refunded), the person cannot be excluded from membership due to her/his time base (e.g., working less than 20 hours per week) or appointment length (e.g., 90 days). Therefore, persons who are currently members of CalPERS do not need to re-qualify for membership. This applies even if their membership was established through employment with another CalPERS agency, or if they are not currently working (i.e., are on inactive status) with a CalPERS-covered agency.

A CalPERS member should not continue to be reported in membership when:

- The person enters a position that is excluded by law (other than due to time base/appointment length), or by an agency's contract.
- The person enters a position eligible for optional membership; the individual must submit an election of optional membership in order to be a member in such a position. (See "Optional Members of CalPERS" section for more information.)
- The person enters a position that is also in membership with another public retirement system. (See "Positions Excluded by Retirement Law (PERL) from CalPERS Coverage" section.)
- The person is subject to an Alternate Retirement Plan (ARP) under G.C. section 20306. (See discussion on page 27 of this section).
- The position is deemed to be an Overtime position (i.e., the person is working more than a full-time CalPERS-covered position; see discussion of "Overtime Positions" on page 50 of this section).
- The person is legally working after retirement. (The laws for post-retirement employment are different from the laws for membership; refer to the "Employment of a Retiree" section for more information.)

If a person has retirement contributions/service credit on deposit with CalPERS, or if they have met the criteria for membership (e.g., have completed 1,000 hours of service in a fiscal year) but have not actually been enrolled yet, they are by law a member of CalPERS, even if the employer has not yet reported payroll to CalPERS on their behalf.

Once in membership, a person remains in membership until (1) they take a refund of contributions after permanently separating from CalPERS-covered employment, or (2) they retire.

You can determine whether or not a person is currently a member of CalPERS by:

1. Asking the employee (be aware that some employees may be mistaken about this),
2. Using the Participant Inquiry function of the ACES system, and/or
3. Contacting the CalPERS Customer Contact Center.

It is recommended that an employer retain documentation (e.g., **Notice of Exclusion From CalPERS Membership Form** PERS-AESD-139 on which the employee indicates "Not a CalPERS member"; or printouts of the ACES Participant Inquiry screen, etc.) to demonstrate that such an inquiry was made, in order to guard against possible G.C. section 20283 liability in the future.

It is also recommended that employers determine whether the employee has any other CalPERS-covered employment that could potentially place the employee in an "overtime" situation (e.g., if the employee is working more than full-time), to avoid having to make adjustments later.

IMMEDIATE MEMBERSHIP UPON HIRE

Many employees should enter CalPERS membership immediately upon employment (G.C. section 20281), namely:

- Employees hired to work full-time more than six months.
- Employees working “regular, part-time service,” who work “at least an average of 20 hours a week” for one year or longer.

However, there are also some employees who must work a certain number of hours/days (commonly referred to as “qualifying time”) before they are eligible for membership, and who therefore should be carefully monitored, such as the following:

FULL-TIME EMPLOYEES

CalPERS considers full-time employment to be between 34 and 60 hours per week. Employers generally have the ability to determine what constitutes full-time for an employee provided that the employee works between 34 and 60 hours per week. However, G.C. section 20636.1 specifies that for all non-certificated school members full-time is considered 40 hours per week. This means that all hours up to 40 hours per week must be reported to CalPERS for non-certificated school members at the straight time rate.

Persons in full-time employment whose appointment/employment does not fix a term of employment longer than six months should be monitored; if full-time employment actually continues for more than six months, membership is compulsory, and the effective date of membership can not be later than the first day of the first pay period of the seventh month of employment.

LESS THAN FULL-TIME EMPLOYEES

The most important and commonly used standard to consider for the membership eligibility of less than full-time employees is whether they work 1000 hours (if paid on an hourly basis) or 125 days (if paid on a daily or per diem basis) in a fiscal year (July 1 through June 30). (G.C. section 20305(a)(3)(B) states that 125 eight-hour days equals 1000 hours.)

Since the “overtime” provisions of G.C. section 20635 apply only to members of CalPERS, overtime service is included in computing the 1000 hours or 125 days.

Time during which the member is paid for time excused from working due to vacation, sick leave, etc., is included in the 1000 hours.

QUALIFICATION WHEN WORKING MORE THAN ONE POSITION

These criteria above can be met by employees who are working more than one position under the same employer; therefore, service with all positions with an employer (including both safety and miscellaneous positions) should be considered in determining membership qualification. For example, a person working a permanent 10-hour a week position, and a permanent 12-hour a week position with the same employer, would qualify for membership immediately, by virtue of combining the service of both positions to meet the 20-hour a week minimum.

All employees of a school district - with the sole exception of School Safety Members - are considered to be employees of the County Superintendent of Schools, and thus of the same employer for CalPERS purposes; (G.C. section 20610). Therefore, service with different districts (including charter schools) within the same county should be added together for purposes of meeting the membership criteria.

Service with different CalPERS-covered agencies, however, such as a city and a special district; or a school district and a State agency or school districts in two different counties, should not be combined for membership qualification purposes.

A school district/county office of education that contracts separately for school safety members, or that participates in a risk pool, is a separate public agency by law, and therefore such service would be kept separately when determining qualification.

EMPLOYEES WHO MUST BE MONITORED

Qualification for membership is reached when:

1. The person's full-time employment continues longer than six months (e.g., an employee may have been hired on a full-time indefinite basis to fill in for a worker who is out due to serious illness for an unknown period of time, where the worker ends up working more than six months). In such case, the effective date of membership is not later than the first day of the first pay period of the seventh month of employment (e.g., if employee completes six months of employment on September 23rd, she or he should be enrolled no later than the first pay period of October).
2. The person works 1,000 hours in a fiscal year (if paid on other than a daily or *per diem* basis). Any overtime hours worked are counted toward these 1,000 hours. Time during which the member is paid for time excused from working due to vacation, holiday pay, sick leave, etc., is included in the 1,000 hours.
3. The person works more than 125 days in a fiscal year (if paid on a daily or *per diem* basis). For this purpose, "day" means each 8 hours of compensated service; e.g. a firefighter working a 24-hour shift is working 3 such "days" per shift.

In cases where employees qualify based on completing 1,000 hours or 125 days, membership becomes effective no later than the first day of the first pay period of the month following the month in which 1000 hours or 125 days were completed (e.g., if an employee completes 1,000 hours on May 31st, membership can be effective no later than the first/next June pay period. If the employee completes 1,000 hours on June 1st, membership can be no later than the first July pay period).

FURLOUGH LEGISLATION-SCHOOL EMPLOYERS

Legislation passed in 2010 added G.C. section 20969.2 to the Public Employees' Retirement Law. This legislation ensures that certain persons subject to mandatory furloughs will not have their CalPERS retirement benefits impacted due to the furlough.

MEMBERSHIP ELIGIBILITY AND FURLOUGHS

The work hours of employees who do not have a fixed term of appointment and who work on a seasonal, limited-term, on-call, emergency, intermittent, substitute, irregular or other part-time basis as outlined in G.C. section 20305 should be monitored to determine the point at which service that would have been credited but for the mandatory furlough would have qualified the employee for membership in CalPERS. The hours that an employee would have worked had the employee not been subject to mandatory furloughs should be counted toward qualification of CalPERS membership.

SUMMARY OF GENERAL PRINCIPLES

The general principles to follow to determine when and if someone is eligible for membership (if not excluded by contract or by law) are as follows:

1. Persons who are already members of CalPERS are not excluded from membership because they are working less than full-time. [G.C. section 20305(a)(1)]
2. Non-members enter membership immediately upon appointment to a position with one of the following conditions:
 - a. The appointment/employment contract (written or verbal) fixes a term of full-time, continuous employment in excess of six months.
 - b. The position requires regular, part-time service for at least an average of 20 hours per week for one year or longer.
3. Persons not meeting either of these conditions must be monitored to determine when and if they qualify for membership by working 1,000 hours or 125 days in a fiscal year.

NOTE: Not all employees must work 1,000 hours before qualifying for CalPERS membership, but only employees who are not already members, and those not meeting the "full-time, more than 6 months" or "at least an average of 20 hours per week for one year or more" standards discussed above.

FAILURE TO ENROLL MEMBER ON A TIMELY BASIS

It is the employer's responsibility to determine if its employees are eligible to participate in CalPERS. If an employer has failed to enroll an eligible employee into CalPERS membership within 90 days of qualifying, when the employer knows or can reasonably be expected to have known of that eligibility, the employer shall be required to pay all arrears costs for member contributions, as well as administrative costs of \$500 per member. (G.C. section 20283)

Please note that the administrative cost is not a fee or penalty to the agency – rather, it is a reimbursement to CalPERS for costs associated with the process of administering such retroactive enrollment of members.

Employers will not be billed directly for the employer share of contributions; rather, the employer share of the cost will be paid by transfer of funds from the Employer's Reserve Account, and by future adjustments in the employer's contribution rate. The employer shall not pass on to an employee any costs assessed due to untimely enrollment.

Employers are presumed to be knowledgeable of all areas covered in this Procedures Manual, as well as in Circular Letters, and other standard CalPERS publications. If you encounter an unusual situation not addressed in any of these forums, we would strongly urge you to contact us in advance for advice about such situations, so that we can review the facts and advise you appropriately.

NOTICE OF EXCLUSION FROM CALPERS MEMBERSHIP

For employees who do not qualify for CalPERS membership, the **Notice of Exclusion from CalPERS Membership** form (PERS-AESD-139) should be completed, and given to the employee in order to inform them of the specific reason for their exclusion and to fulfill the employer's responsibility of notification. Do not send copies of this form to CalPERS; however, a copy should be kept with the employee's records.

Having a copy of this form in an employee's records is another useful way of supporting an employer's lack of responsibility under G.C.

section 20283—particularly with regard to the employee's current CalPERS "member" status.

ALTERNATE RETIREMENT PLAN (ARP) G.C. SECTION 20306 (PUBLIC AGENCIES AND SCHOOLS)

G.C. section 20306 provides that public agencies and school districts that have an alternate retirement plan established as a pension trust¹ prior to July 1, 1997 must conduct an election among their non-safety members who are credited with less than five years of CalPERS service to determine whether they want to (1) retain their usual active CalPERS membership, or instead (2) participate in the alternate retirement plan if their time base drops below the minimum membership thresholds (e.g., 20 hours per week) specified in G.C. section 20305.

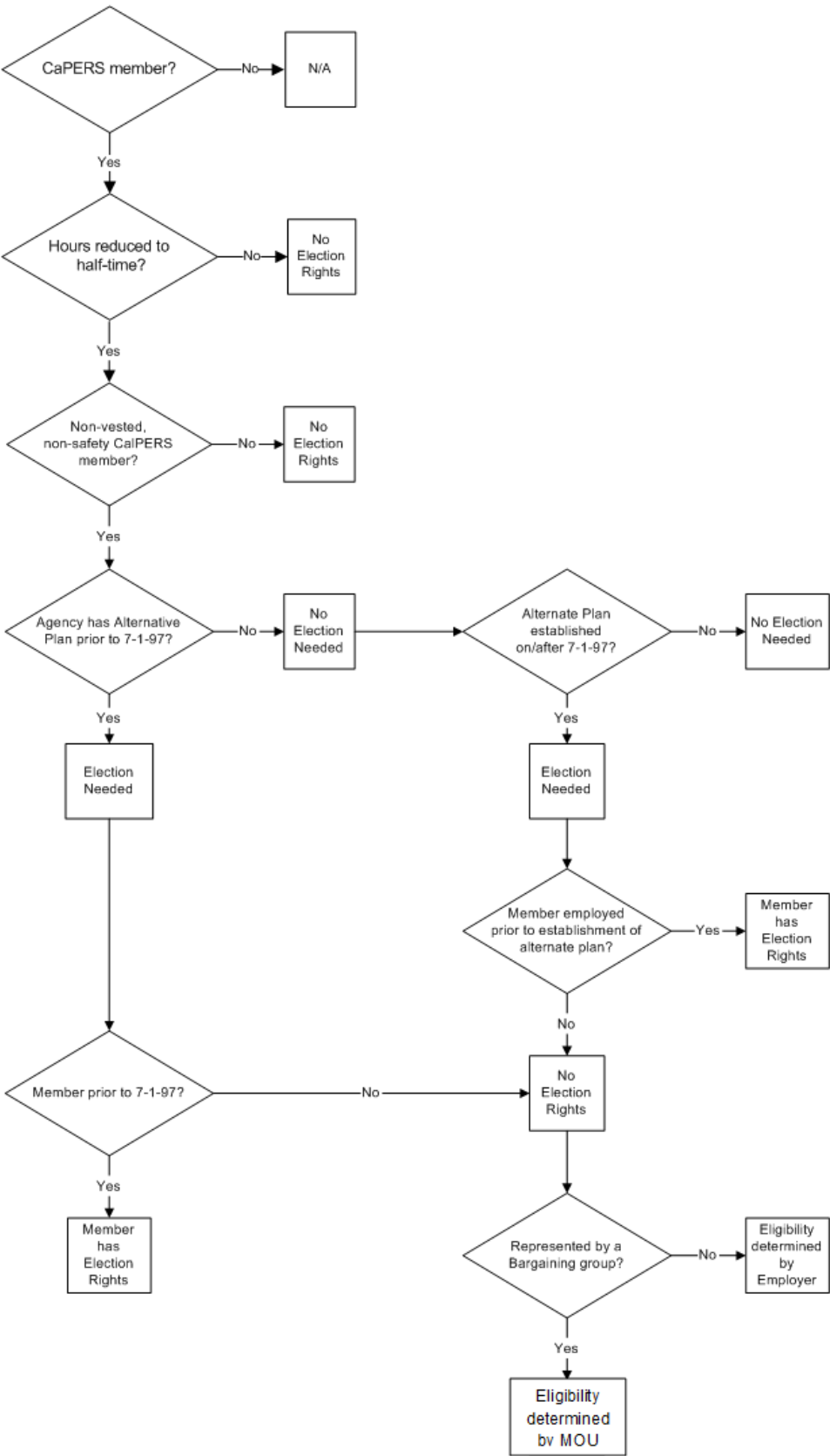
Employees entering employment after the original ARP election are mandated into ARP coverage if they (1) work less than the G.C. section 20305 threshold, and (2) have less than 5 years of service credit. The employer will determine new employees' ARP status (based on any election they made; their 20305 qualification status; and whether or not they have 5 years of service), as follows:

- For employees subject to collective bargaining, their MOU will determine their eligibility to participate in the ARP or CalPERS.
- For employees not represented by a bargaining group, the public agency shall determine the employees' eligibility to participate either in CalPERS or the alternate retirement plan if their time base falls below CalPERS membership thresholds.

See the "Eligibility to Participate in the CalPERS/Alternate Retirement Plan Election" flow chart on the following page for more information or contact the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

¹ "Article 1.5 (commencing with section 53212) of Chapter 2 of Part 1 of Division 1 of Title 5"

Eligibility to Participate in the CalPERS/Alternate Retirement Plan Election



SCHOOL EMPLOYMENT: CALPERS OR CALSTRS?

Public school positions in California are divided into two basic types:

1. **CERTIFICATED:** An employee in a position requiring certification qualifications by or pursuant to the Education Code. Credentialed employees (e.g., teachers, administrators, health care, library media workers, etc.) are all in certificated positions.
2. **CLASSIFIED:** An employee in a non-certificated position (e.g., office workers, custodial staff, cafeteria workers, etc.).

In general terms, employees in certificated positions are, upon meeting normal qualification requirements, eligible for membership in the California State Teachers' Retirement System (CalSTRS), while classified employees may be eligible for membership in CalPERS.

Pursuant to G.C. sections 20300(g), 20501 and 20610, CalPERS can cover school employees only with respect to employment in which they are not eligible for CalSTRS coverage. Some persons who are employed in positions covered by CalSTRS or CalPERS may not actually qualify for membership in either system (due to part-time or temporary/seasonal, non-qualifying, etc.); thus, some school employees may not be members of either system until their working hours or conditions change.

The Education Code (which contains the laws governing CalSTRS) contains two basic provisions, which may give persons certain rights with regard to choosing coverage under one system or the other.

Education Code Section 22508(a): A person who is a CalSTRS member, who subsequently is employed by a school district, community college district or a county superintendent (or by the State in other certain cases; see "Inclusion" section) in a position which requires CalPERS membership (i.e., a classified school position), will enter CalPERS membership in the new position. However, he or she may elect to remain a member of CalSTRS in the new position.

INCLUSION OF CERTAIN STATE EMPLOYEES

1. Employees in Certain State Bargaining Groups

SB 1694 (Chapter 880, Statutes of 2000) amended Section 22508 of the Education Code, and now provides that this same election right will be given to CalSTRS members that enter State employment where one of the following conditions apply:

[Education Code Section 22508(b)]

- a. The employee is represented by a State Bargaining Unit that represents educational consultants, professional educators, or librarians employed by the state; OR
 - b. The employee is excluded from the definition of "State employee" in G.C. section 3513(c), yet performs, manages or supervises work similar to employees under subparagraph "a" above; OR
 - c. The employee is in a non-civil service position in the Executive branch, yet performs, manages or supervises work similar to employees under subparagraph "a" above.
2. Persons Entering State Second-Tier Membership Between July 1, 1991 and September 11, 2000

AB 649 (Chapter 402, Statutes of 2000) added section 22508.6 to the Education Code and section 20309.5 to the Government Code, and provides that a "vested" CalSTRS member who enters State employment subject to the Second-Tier benefit plan may elect to have this service subject to CalSTRS rather than CalPERS, under the following conditions:

- a. The member must have entered State employment within 30 days of separation from CalSTRS-covered employment;
- b. The member must have had no other intervening employment;
- c. The change of employment occurred between July 1, 1991 and September 11, 2000;

- d. The member must be subject to the State Second-Tier.
- e. The member meets one of the following criteria:
 - 1. Is represented by a State Bargaining Unit that has agreed to an MOU making their represented employees subject to G.C. section 20309.5;
 - 2. Is excluded from the definition of "State employee" in G.C. section 3513(c), yet performs, manages or supervises work similar to employees under Subparagraph "a" above;
 - 3. Is in a non-civil service position in the Executive branch, yet performs, manages or supervises work similar to employees under Subparagraph "a" above.

RETIREMENT SYSTEM ELECTION G.C. SECTION 20309

A CalPERS member employed by a school district or a county superintendent, the State Department of Education, or the Board of Governors of the California Community Colleges, who then is employed in a position requiring membership in CalSTRS (i.e., a certificated position), will enter CalSTRS membership in the new position. However, he or she may elect to remain a member of CalPERS in the new position.

SB 1694 (Chapter 880, Statutes of 2000) effective 1/01/2001, amended section 20309 of the Government Code, and now provides that this same election right will be given to CalPERS members who enter employment that is requiring membership in CalSTRS where the member is employed by the State Board of Governors of the Community Colleges or the State Department of Education;

SB 165 (Chapter 77, Statutes of 2001) again amended G.C. section 20309, which will also allow CalPERS members with five years of CalPERS credited service, who entered employment on or after January 1, 2002 in a position requiring membership in CalSTRS, the right to elect to remain in CalPERS. The five years of service accrued under CalPERS can be with the State of California, a Public Agency, a County School, or a combination thereof.

These elections must be made in writing on the **CalSTRS Retirement System Election form ES-372 (05-09)**. The election must be filed with the elected retirement system within 60 days of entry into the new position that qualified for the election right. The election must be signed and dated by both the employee and employer and include the date the employee entered the new position.

A copy should also be filed with the other retirement system.

Send elections to:

CalSTRS
P.O. Box 15275
Sacramento, CA 95851-0275

or

CalPERS
Customer Account Services Division/Unit 841
P.O. Box 942704
Sacramento, CA 94229-2704

This right of election arises when the employee enters a position or has a major change in conditions of employment that requires membership in the other retirement system. Once the person does (or does not) exercise this right of election within 60 days from their date of hire into the new position, this election is irrevocable and will remain in effect for all future school employment for that employer unless the person separates and receives a refund of all accumulated contributions and interest. In some cases the election right may arise again if the person changes districts and the position requires membership in the other retirement system.

NOTE:

The definition of a change in employment or position is subject to determination by CalSTRS.

Should the employee return to employment and upon qualification, the employee would become a member of the retirement system that they qualify for in that position. Use the chart following this section as a guide to determine the retirement system coverage for the employee.

The Education Code (which governs CalSTRS) and the Government Code (which governs CalPERS) contains the laws regulating this election coverage. The final decision in any questionable situation (e.g. acceptance of late elections) must be made by CalSTRS, not CalPERS. Qualification of the position for membership in each system is governed by the respective codes (Education Code for certificated; Government Code for classified and state).

DIFFERENCES BETWEEN CALPERS AND CALSTRS

There are a number of factors that might influence a person's decision about coverage under one system or the other. Some of the differences between the two systems are the following:

1. CalPERS members may or may not have Social Security coverage (most do), whereas CalSTRS members generally do not;
2. The Benefit Factors based on age for service retirement may be different;
3. The employee contribution rates may be different;
4. Persons entering membership in either system between July 1, 1980 and December 31, 1998 may not be eligible to convert unused sick leave credits to service credit at retirement.

We suggest you contact CalSTRS or the Customer Account Services Division at CalPERS if you have any specific questions or need additional information relating to an employee's choice of coverage.

A CalPERS/CalSTRS FAQ is available on www.calpers.ca.gov. You can also receive the publication **Join CalSTRS? Join CalPERS?** at www.calstrs.com or by calling CalSTRS.

CalSTRS (800) 228-5453
TDD (916) 229-3541

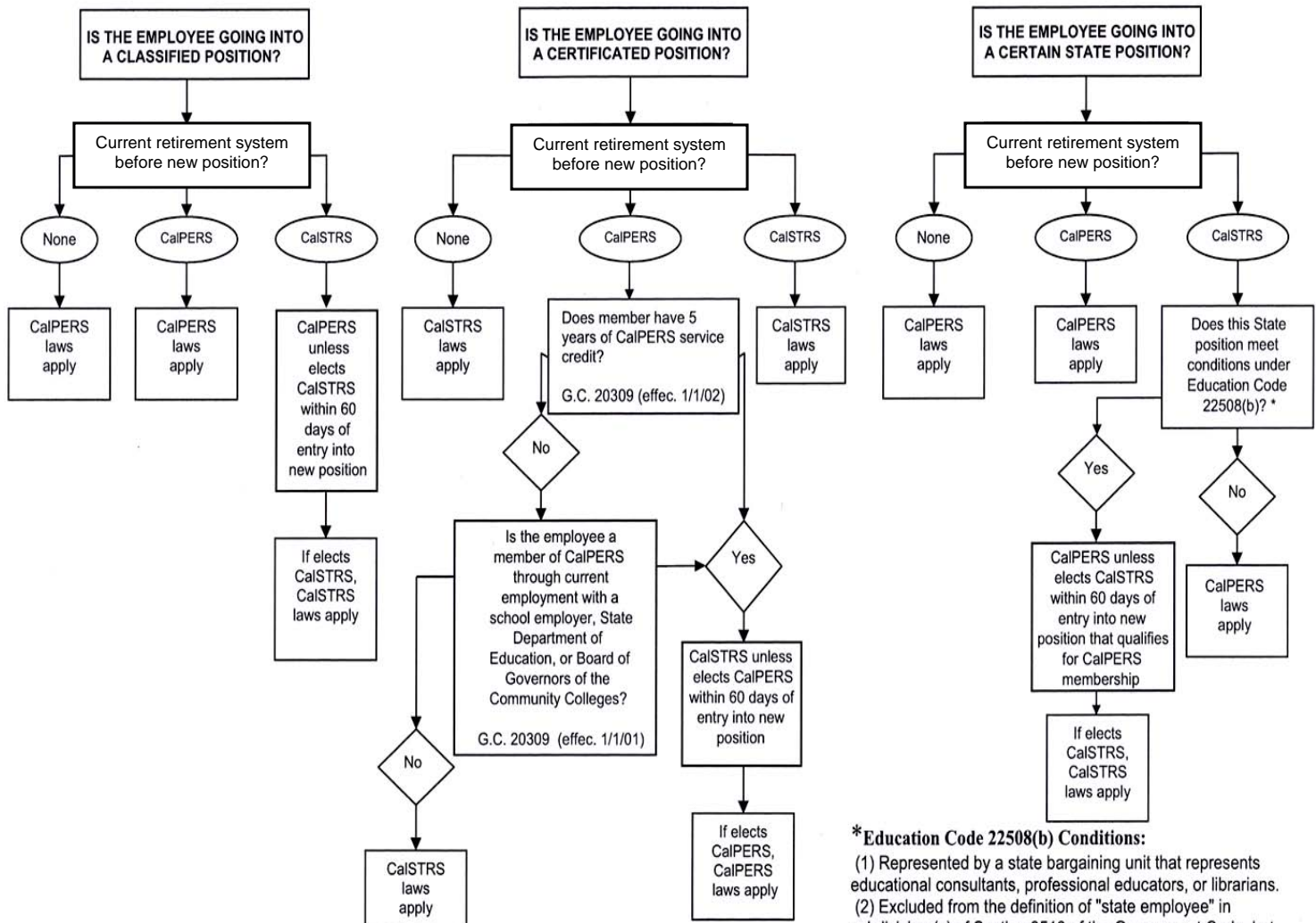
ADDITIONAL INFORMATION

1. A person is a member of CalPERS or CalSTRS unless they have permanently separated from all employment covered by the system and received a refund of his or her contributions and interest on deposit.
2. It is possible to be an active (i.e., currently employed) member of both CalSTRS and CalPERS as long as this dual coverage is for different positions.
3. As indicated by the Education Code 22509: the employer shall inform an employee, who has the right to make an election, within 10 days of the date of hire. The election shall become effective on the first day of employment that qualified the employee to make the election. The election is filed with the elected retirement system with a copy sent to the other retirement system. The right of election arises after one has been hired in a position that would be covered by the other retirement system.
4. Elected superintendent of school positions are subject to CalSTRS and are therefore not eligible for CalPERS membership.

You should also submit a **Member Action Request** (PERS-AESD-1) or appoint via ACES if the member is entering/leaving active CalPERS membership.

Use the chart following this section as a guide to determine the retirement system coverage for the employee.

CalPERS/CalSTRS RETIREMENT SYSTEM ELECTION



* Education Code 22508(b) Conditions:

- (1) Represented by a state bargaining unit that represents educational consultants, professional educators, or librarians.
- (2) Excluded from the definition of "state employee" in subdivision (c) of Section 3513 of the Government Code, but performing, supervising, or managing work similar to work performed by employees described in paragraph (1).
- (3) In a position not covered by civil service and in the executive branch of government, but performing, supervising, or managing work similar to work performed by employees described in paragraph (1).

MEMBERSHIP CATEGORIES

All CalPERS members employed by your agency will fall into one of the following general categories:

1. **LOCAL SAFETY MEMBERS**

This category “includes all local police officers, local sheriffs, firefighters, safety officers, county peace officers..., employed by a contracting agency who have by contract been included within this system.” (G.C. section 20420)

2. **LOCAL MISCELLANEOUS MEMBERS**

This category includes “all employees of a county office of education, school district, or community college district who are included in a risk pool and all employees of a contracting agency who have by contract been included within this system, except local safety members.” (G.C. section 20383)

3. **SCHOOL MEMBERS**

This category “includes all employees within the jurisdiction of a school employer, other than local policemen, school safety members and members included in a risk pool.” (G.C. section 20370(d))

4. **SCHOOL SAFETY MEMBERS**

This category includes “any officer or employee of a school district or a community college district which has established a police department...whose principal duties consist of active law enforcement service.” (G.C. section 20444). This category only applies to a school district or a community college district that enters into a contract with the board on or after January 1, 1990.

For most employers, all or the large majority of their employees will be in the “local miscellaneous” or “school member” categories rather than a “safety” category.

Determination of an employee’s membership category is based on the employee’s job classification and duties, compared to the standards defined in the Government Code, and as provided in the agency’s contract with CalPERS.

The Government Code provisions for the most common safety positions (e.g., police officer, firefighter, deputy sheriff, etc.) are all mandatory for contracting agencies whose contract includes such positions. There are a number of other provisions, however, for which a contracting agency may choose to contract if it so wishes, to provide safety membership to other employees, as well as to reclassify previous service with the same duties/job title in such classes. Your Annual Employer Statement will indicate if your agency has contracted to reclassify any positions from a miscellaneous to a safety category.

Your agency should be aware of the fact that, apart from the optional contract provisions to reclassify miscellaneous employees to the safety category, it is not permissible to report employees in a safety category whose job duties do not support such membership. You should refer to the definitions for Local Safety members on the following pages for the criteria for such membership.

Safety membership most commonly requires service having principal duties of providing either active law enforcement or active firefighting services. Such persons are known as safety employees because they are engaged in protecting the public safety, and may be exposed to physical risk during the course of employment. CalPERS relies upon an opinion of the Attorney General to define what is meant by the term “active” for safety service:

“It is suggested that active law enforcement work means ‘physically active’ work such as the arrest and detention of criminals... (T)he main reference is to duties which expose officers and employees to physical risk in the law enforcement field....” (22 Ops. Cal. Atty. Gen. 229)

Another important criterion in many of the sections defining safety membership is that a person be “employed and qualifying as patrol officers,” “employed and qualifying as patrolmen,” “employed and qualifying as firefighters,” or “employed and qualifying as deputy sheriffs,” irrespective of their current duties. Typically, such persons are referred to as sworn personnel, because they take an oath to uphold the Constitution, safeguard the lives and property of citizens, etc. This sworn criterion is particularly important for persons who are promoted up through the ranks to supervisory/managerial positions (e.g., sergeant, captain, chief, etc.), but who retain their sworn status after promotion.

Almost all agencies with safety classifications have established procedures in place (e.g., certification and/or academy training, physical fitness requirements, etc.) by which persons originally become qualifying as patrol officers, firefighters, or deputy sheriffs, and have standards (such as periodic physical fitness tests) which must be met in order to maintain such status. Such sworn personnel in supervisory or managerial positions who remain “employed and qualifying” as patrol officers, firefighters, or deputy sheriffs could (perhaps in special circumstances such as a major emergency, or a work stoppage) be required to return to typical safety duties; accordingly, the safety status of such an individual is appropriate, even though the person’s current duties may not frequently involve such “active law enforcement/firefighting” duties.

However, if a person gives up such qualifying/sworn status after accepting a promotion, and is no longer qualifying as such, safety membership can no longer be given for this service.

NOTE:

There are no provisions in the law that would allow a member or employer to pay the difference in contributions between miscellaneous and safety membership, in order to allow a miscellaneous member to be reported to CalPERS as safety.

EXCEPTIONS

There are some instances where persons have been given mandatory safety membership only if employed during a specific period of time. For example, legislation passed in 1987 (AB 839, Chapter 1411) brought certain miscellaneous members employed in positions such as, fire investigators, fire prevention officers, or fire trainers between January 1, 1988, and October 2, 1989, into safety membership as local firefighters. In such *exceptional* situations, it is possible to have some persons in the same job classification who are “safety” and some who are not, if they were hired at different times.

CAUTIONS

CalPERS has had cases where an employee was inappropriately retained in safety membership after receiving an appointment to a non-safety position (such as City Manager, or Director of Public Safety). Even if such a member was formerly in safety membership (e.g., as Police Chief or Fire Chief), safety membership cannot be given where the job duties do not support this status, and the individual is no longer a sworn member of a police department, fire department, etc.

Inappropriate membership classification is one of the key factors that are investigated by CalPERS field auditors and corrective actions will be taken upon discovery by CalPERS staff of such inappropriate classifications. Such retroactive corrective actions may include correction of service credit, retirement contributions paid, and adjustment of retirement allowance paid (if any). If you are unsure about the proper membership category for a given position, submit a job description/duty statement to CalPERS Customer Account Services Division (CASD), Membership Analysis and Design Unit for a determination. Such a review should also be requested upon establishing a new position, or upon making significant changes in the duties of a previously-reviewed position.

The following definitions for Local Safety Members will assist you in determining membership category:

MANDATORY SAFETY STATUS

LOCAL POLICE OFFICER

“Local police officer” means any officer or employee of a police department of a contracting agency which is a city, except one whose principal duties are those of a telephone operator, clerk, stenographer, machinist, mechanic, or otherwise and whose functions do not clearly fall within the scope of active law enforcement service even though the employee is subject to occasional call, or is occasionally called upon, to perform duties within the scope of active law enforcement service, but not excepting persons employed and qualifying as patrolmen or equal or higher rank irrespective of the duties to which they are assigned. (G.C. section 20425)

LOCAL FIREFIGHTER

“Local firefighter” means any officer or employee of a fire department of a contracting agency, except one whose principal duties are those of a telephone operator, clerk, stenographer, machinist, mechanic, or otherwise and whose functions do not clearly fall within the scope of active firefighting, or active firefighting and prevention service, active firefighting and fire training, active firefighting and hazardous materials, active firefighting and fire or arson investigation, or active firefighting and emergency medical services, even though that employee is subject to occasional call, or is occasionally called upon, to perform duties within the scope of active firefighting, or active firefighting and prevention service, active firefighting and fire training, active firefighting and hazardous materials, active firefighting and fire or arson investigation, or active firefighting and emergency medical services, but not excepting persons employed and qualifying as firefighters or equal or higher rank, irrespective of the duties to which they are assigned. (G.C. section 20433)

COUNTY PEACE OFFICER

SHERIFF AND SHERIFF’S OFFICERS

“County peace officer” means the sheriff and any officer or employee of a sheriff’s office of a contracting agency, except one whose principal

duties are those of a telephone operator, clerk, stenographer, machinist, mechanic, or otherwise, and whose functions do not clearly come within the scope of active law enforcement service even though the employee is subject to occasional call, or is occasionally called upon, to perform duties within the scope of active law enforcement service, but not excepting persons employed and qualifying as deputy sheriffs or equal or higher rank irrespective of the duties to which they are assigned. (G.C. section 20436)

DISTRICT ATTORNEY’S OFFICE

INSPECTOR, INVESTIGATOR, DETECTIVE

“. . .any inspector, investigator, detective, or person with a comparable title, in any district attorney’s office of a contracting agency whose principal duties are to investigate crime and criminal cases and who receives compensation for such service.” (G.C. section 20436)

OTHER LOCAL SAFETY

OCEAN BEACH LIFEGUARDS

“Local safety member” also includes all employees of a city who have by contract been included within this system, and whose principal duties consist of active protection, rescue, and rendition of aid or assistance to persons injured or imperiled in water areas at ocean beaches and the recovery from those water areas of submerged objects and bodies of persons drowned or believed to have drowned in those areas, or the immediate supervision thereof, including persons employed to perform the duties now performed under the titles of aquatics director, chief lifeguard, captain lifeguards, lieutenant lifeguards, beach lifeguard, but who performs additional duties, some of which (including the maintenance of peace and order and the apprehension of law violators) are customarily performed by police or peace officers, and whose other duties (such as resuscitation work involving the use of special equipment in cases having no connection with their principal duties) that in other areas are customarily performed by firefighters, and other and further duties that do not come directly within any of the above classifications but are essential to the safety and security of the public, excluding those whose principal duties are those of a telephone operator, clerk, stenographer, machinist, mechanic, or otherwise clearly do not fall within the scope of active life guarding or

lifesaving service, even though the person is subject to occasional call, or is occasionally called upon, to perform duties within the scope of active life guarding or lifesaving service.

This section does not apply to the employees of any contracting agency having a contract with the board made prior to September 18, 1959, until the agency elects to subject itself and its employees to the provisions of this section by amendment to its contract with the board pursuant to G.C. section 20474; except that an election is required only among the employees to whom the provisions of this section apply.

The amendments of this section, made by Chapter 130 of the Statutes of 1982 do not constitute a substantive change in the law and shall not be construed to entitle any person to any right or benefit that he or she was not already entitled to prior to December 31, 1982.

NOTE:

This provision is mandatory for all contracting agencies with CalPERS contract dates of September 18, 1959 or later. It is an optional contract provision for contracting agencies with CalPERS contract dates of prior to September 18, 1959. See Other Local Safety listing in this section (G.C. section 20421).

LOCAL SAFETY OFFICER

“Local safety officer” means any officer or employee of a public safety department of a contracting agency, except one whose principal duties are those of a telephone operator, clerk, stenographer, machinist, mechanic, or otherwise and whose functions do not clearly fall within the scope of active law enforcement or firefighting and prevention service even though the employee is subject to occasional call, or is occasionally called upon, to perform duties within the scope of active law enforcement or firefighting and prevention service, but not excepting persons employed and qualifying as patrol officers or equal or higher rank, or as firefighters, hose officers, or equal or higher rank, irrespective of the duties to which they are assigned.

“Local safety officer” does not include persons employed to perform identification or communication duties. This provision shall not apply to persons employed and qualified as patrol officers or equal or higher rank, or as firefighters, hose officers, or equal or higher rank. (G.C. section 20424)

OTHER SAFETY CLASSIFICATIONS — PROVIDED BY OPTIONAL CONTRACT PROVISIONS

The following classifications can be added to your safety categories by amending your agency’s contract. If your agency has contracted for these other safety classifications, they will be listed in your Annual Employer Statement.

It should be noted that many of these optional sections do not contain the “employed and qualifying” language that is used to give police officers, firefighters, sheriff’s deputies, etc. safety status when they promote into the supervisory/managerial ranks. Therefore, persons must be performing the specified duties in order to qualify for safety coverage under such sections.

RECLASSIFICATION

A member who is employed in a position that is reclassified from local miscellaneous to local safety (other than under the 2% @ 50, 3% @ 50, or 3% @ 55 retirement formulas) may make an irrevocable election in writing to remain subject to the miscellaneous service retirement benefit by filing a notice of that election with the board within 90 days after notification by the board. (G.C. section 20443)

LOCAL POLICE OFFICER

JUVENILE BUREAU OFFICER

If provided for by your agency’s contract, “Local police officer” also includes any officer or employee of a juvenile bureau of a contracting agency whose principal duties consist of active law enforcement service, except persons whose principal duties are clerical or otherwise clearly do not fall within the scope of active law enforcement, even though the person is subject to occasional call, or is occasionally called upon, to perform duties within the scope of active law enforcement. (G.C. section 20427)

PEACE OFFICER UNDER PENAL CODE, NOT WITH CITY OR COUNTY

If provided for by your agency’s contract, “local police officer” also includes any officer or employee of a contracting agency other than a city or a county who is a peace officer as defined in the Penal Code and whose principal duties

consist of active law enforcement but excluding clerical personnel or those whose principal duties are that of communication officer, identification officer, machinist, mechanic, security officer or are otherwise not clearly within the scope of active law enforcement, even though the person is subject to occasional call, or is occasionally called upon to perform duties within the scope of active law enforcement. (G.C. section 20429)

CITY JAILERS

If provided for by your agency contract, "local police officer" also includes any employee of a contracting agency that is a city, who is employed in a jail or a detention or correctional facility and having as his or her primary duty and responsibility the supervision and custody of persons committed to the jail or facility. It shall not include persons employed as clerks, typists, teachers, instructors, or psychologists or to provide food, maintenance, health, or supporting services, even though responsibility for custody and control of persons so committed may be incident to, or imposed in connection with, that service. (G.C. section 20431)

LOCAL SHERIFF

If provided for by your agency's contract, "local sheriff" means any officer or employee of a sheriff's office of a contracting agency, except one whose principal duties are those of a telephone operator, clerk, stenographer, machinist, mechanic, or otherwise, and whose functions do not clearly come within the scope of active law enforcement service even though the employee is subject to occasional call, or is occasionally called upon, to perform duties within the scope of active law enforcement service, but not excepting persons employed and qualifying as deputy sheriffs or equal or higher rank irrespective of the duties to which they are assigned. (G.C. section 20432)

Contracting for this section allows agencies to provide a different level of retirement benefits (e.g., retirement formula) to "local sheriff officers" than to "county peace officers."

COUNTY PEACE OFFICER

CONSTABLE, MARSHAL

If provided by your agency contract, "county peace officer" shall also include the constable and each regularly employed deputy constable and the marshal and each regularly employed deputy marshal who serves the superior court. He or she shall receive credit for service as a peace officer for any time he or she served as constable or deputy constable of a township or justice court or marshal or deputy marshal of a municipal court in the same county. (G.C. section 20437)

IDENTIFICATION AND/OR COMMUNICATION DUTIES

If provided by your agency contract, "county peace officer" does not include persons employed to perform identification or communication duties other than persons in that employment on August 4, 1972, who elected within 90 days thereafter to be local safety members. A contracting agency may elect by amendment to its contract to include as "county peace officer" all persons who were employed to perform identification or communication duties on August 4, 1972, and who elect within 60 days of the effective date of the contract amendment to be local safety members. The election shall apply to the person's past as well as future service in the employment held on the effective date but may not apply to service following any subsequent acceptance of appointment to a position other than that held on the effective date. This subdivision does not apply to persons employed and qualified as deputy sheriffs or equal or higher rank. (G.C. section 20436)

PROBATION OFFICER, JUVENILE HALL CUSTODY

If provided by your agency's contract, "county peace officer" shall also include probation officers, deputy and assistant probation officers, and persons employed in a juvenile hall or home and having as their primary duty and responsibility the counseling, supervision and custody of a group of youths assigned or committed to the hall or home. It shall also include persons employed as peace officers pursuant to Section 830.5 of the Penal Code, regardless of the administrative title of the position. It shall not include persons employed as teachers, instructors, psychologists, or to provide food, maintenance, health or other supporting services even though responsibility for custody and control of youths may be incident to or imposed in connection with that service. (G.C. section 20438)

COUNTY JAIL—CUSTODIAL EMPLOYEES

If provided by agency contract, “county peace officer” shall also include employees of the sheriff employed in a county jail, detention or correctional facility and having as their primary duty and responsibility the supervision and custody of persons committed to the jail or facility, whether or not these employees are deputized. It shall not include persons employed as clerks, typists, teachers, instructors, psychologists or to provide food, maintenance, health or supporting services, even though responsibility for custody and control of persons so committed may be incident to, or imposed in connection with, that service or the employees are deputized. (G.C. section 20439)

BAILIFFS

If provided for by your agency’s contract, “county peace officer” shall also include employees of the sheriff employed to attend sessions of the superior or former municipal courts and preserve order in the courtrooms, to guard and maintain the security of prisoners during court appearances, or to summon jurors and take responsibility for them while they are deliberating or absent from the courtroom. It shall not include persons employed as clerks, typists, teachers, instructors or psychologists. (G.C. section 20440)

COUNTY PARK RANGERS

If provided for by your agency’s contract, “county peace officer” shall also include persons employed by a county parks and recreation department whose primary responsibility is maintaining the peace and whose duties include law enforcement, emergency medical care first response, or fire suppression and prevention in the Park Ranger class series. (G.C. section 20441)

OTHER LOCAL SAFETY

LIFEGUARDS

NOTE: This provision is mandatory for all contracting agencies with CalPERS contract dates of September 18, 1959 or later. It is an optional contract provision for contracting agencies with CalPERS contract dates prior to September 18, 1959.

If provided for by your agency’s contract, “local safety member” also includes all employees of a city who have by contract been included within this system, and whose principal duties consist of active

protection, rescue, and rendition of aid or assistance to persons injured or imperiled in water areas at ocean beaches and the recovery from those water areas of submerged objects and bodies of persons drowned or believed to have drowned in those areas, or the immediate supervision thereof, including persons employed to perform the duties now performed under the titles of aquatics director, chief lifeguard, captain lifeguards, lieutenant lifeguards, beach lifeguard, but who performs additional duties, some of which (including the maintenance of peace and order and the apprehension of law violators) are customarily performed by police or peace officers, and whose other duties (such as resuscitation work involving the use of special equipment in cases having no connection with their principal duties) that in other areas are customarily performed by firefighters, and other and further duties that do not come directly within any of the above classifications but are essential to the safety and security of the public, excluding those whose principal duties are those of a telephone operator, clerk, stenographer, machinist, mechanic, or otherwise clearly do not fall within the scope of active lifeguarding or lifesaving service, even though the person is subject to occasional call, or is occasionally called upon, to perform duties within the scope of active lifeguarding or lifesaving service. (G.C. section 20421)

EMERGENCY MEDICAL TECHNICIAN/PARAMEDIC

If provided for by your agency’s contract, “local safety member” also includes all employees of a public agency whose principal duties consist of rendering pre-hospital emergency medical care to ill or injured persons and who are employees designated as Emergency Medical Technician—I, Emergency Medical Technician—II, or Emergency Medical Technician—Paramedic, as defined by, respectively, Sections 1797.80, 1797.82, and 1797.84 of the Health and Safety Code. (G.C. section 20422)

HARBOR OR PORT POLICE OFFICER

If provided for by your agency’s contract, “local safety member” also includes any harbor or port police officer, employed by a contracting agency, who is a peace officer as defined in subdivision (b) of Section, 830.33 of the Penal Code and whose principal duties consist of active law enforcement of the laws contained in Chapter 5 (commencing with Section 650) of Division 3 of the Harbors and Navigation Code, the rules and regulations of the California Department of Boating and Waterways, and Chapter 2 (commencing with Section 9850) of

Division 3.5 of the Vehicle Code. (G.C. section 20423)

PARK RANGERS

If provided for by your agency's contract, "local safety member" also includes any park ranger employed by a contracting agency who is a peace officer as defined in subdivision (b) of Section 830.31 of the Penal Code and whose primary responsibility is maintaining the peace and whose duties include law enforcement, emergency medical care first response, or fire suppression and prevention. (G.C. section 20423.5)

LOCAL PROSECUTORS, PUBLIC DEFENDERS, AND PUBLIC DEFENDER INVESTIGATORS

For all of these categories, the member's effective date of retirement must be on or after the date this section becomes applicable to the member's contracting agency.

LOCAL PROSECUTORS

G.C. section 20423.6 covers all of the following groups of employees:

1. A county officer or employee who, on or after January 1, 2002:
 - Was employed in the office of the district attorney.
 - Had a job title/classification of district attorney, deputy district attorney, chief deputy district attorney, senior deputy district attorney, assistant district attorney, chief assistant district attorney, senior assistant district attorney, or any other similar classification or title.
2. A county officer or employee who:
 - Was employed in the office of a district attorney prior to the date the local child support agency transitioned from the district attorney to a new county department, as specified in Section 17304 of the Family Code.
 - Had a job title/classification of district attorney, deputy district attorney, chief deputy district attorney, senior deputy district attorney, assistant district attorney, chief assistant district attorney, senior assistant district attorney, or any other similar classification or title.
 - On or after January 1, 2002, was an attorney in a local child support agency, as defined in subdivision (h) of Section 17000

of the Family Code, with no break in service between employment by a district attorney and the local child support agency.

3. A city officer or employee who, on or after January 1, 2002:
 - Was employed in the office of the city attorney.
 - Was primarily engaged in the active enforcement of criminal laws within any court operating in a county.
 - Had a job title/classification of city attorney, deputy city attorney, chief deputy city attorney, assistant city attorney, chief assistant city attorney, or any other similar classification or title.

LOCAL PUBLIC DEFENDER

A city or county officer or employee who, on or after January 1, 2002:

- Was employed in the office of the public defender, the alternate public defender, or any similar office title.
- Had a job title/classification of public defender, deputy public defender, chief deputy public defender, senior deputy public defender, assistant public defender, chief assistant public defender, senior assistant public defender, or any other similar classification or title.

LOCAL PUBLIC DEFENDER INVESTIGATOR

A city or county officer or employee who, on or after January 1, 2002:

- Was employed in the office of the public defender, the alternate public defender, or any other similar office title.
- Had a job title/classification of inspector, investigator, detective, or any other similar classification or title.
- Had principal duties of investigating crime and criminal cases.

SCHOOLS

LOCAL POLICE OFFICER

"Local police officer" also includes any officer or employee of a school district or a community college district that has established a police department pursuant to Section 39670 or 72330 of the Education Code, whose principal duties consist of active law enforcement service, except persons whose principal duties are clerical or otherwise clearly do not fall within the scope of active law enforcement, even though

the person is subject to occasional call, or is occasionally called upon, to perform duties within the scope of active law enforcement. This section shall only apply to any school district or community college district that prior to June 30, 1982, had amended its contract to provide membership for local police officers. (G.C. section 20430)

SCHOOL SAFETY MEMBERS

If provided for by your agency's contract, "school safety member" includes any officer or employee of a school district or a community college district which has established a police department pursuant to Section 39670 or 72330 of the Education Code, whose principal duties consist of active law enforcement service, except persons whose principal duties are clerical or otherwise clearly do not fall within the scope of active law enforcement, even though the person is subject to occasional call, or is occasionally called upon, to perform duties within the scope of active law enforcement. This section shall only apply to a school district or a community college district that, pursuant to subdivision (i) of G.C. section 20057, entered into a contract with the board on or after January 1, 1990. (G.C. section 20444)

LOCAL FIREFIGHTER

If provided for by your agency's contract, "local firefighter" also means any officer or employee of a fire department of a contracting agency, except one whose principal duties are those of a telephone operator, clerk, stenographer, machinist, mechanic, or otherwise and whose functions do not clearly fall within the scope of active firefighting, fire prevention, fire training, hazardous materials, emergency medical services, or fire or arson investigation service, even though that employee is subject to occasional call, or is occasionally called upon, to perform duties within the scope of active firefighting, fire prevention, fire training, hazardous materials, emergency medical services, or fire or arson investigation service, but not excepting persons employed and qualifying as firefighters or equal or higher rank, irrespective of the duties to which they are assigned. (G.C. section 20434)

HAZARDOUS MATERIALS SERVICES

If provided for by your agency's contract, "local firefighter" also means any officer or employee of a fire department of a contracting agency, except one whose principal duties are those of a telephone operator, clerk, stenographer, machinist, mechanic, or otherwise, and whose functions do not clearly fall within the scope of hazardous materials services, even though that employee is subject to occasional call, or is occasionally called upon, to perform duties within the scope of hazardous materials services, but not excepting persons employed and qualifying as firefighters or equal or higher rank, irrespective of the duties to which they are assigned. (G.C. section 20434.5)

FIRE TRAINING FUNCTION FOR A CONTRACTING AGENCY

If provided for by your agency's contract, "local firefighter" means any officer or employee of a contracting agency performing a fire training function for a contracting agency, except one whose principal duties are those of a telephone operator, clerk, stenographer, machinist, mechanic, or otherwise and whose functions do not clearly fall within the scope of active firefighting, fire prevention, fire training, or fire investigation service even though that employee is subject to occasional call, or is occasionally called upon, to perform duties within the scope of active firefighting, fire prevention, fire training, or fire investigation service, but not excepting persons employed and qualifying as firefighters or equal or higher rank, irrespective of the duties to which they are assigned. (G.C. section 20435)

H.R. 743 — SOCIAL SECURITY PROTECTION ACT OF 2004

On March 2, 2004, President Bush signed H.R. 743, the Social Security Protection Act of 2004, into law. Section 419(c) of H.R. 743 provides that any individual entering employment on or after January 1, 2005 in a position not subject to Social Security, be provided a written notice explaining the maximum effect not being subject to Social Security may have on the calculation of the primary insurance amounts and on the benefit amounts of monthly periodic payments or benefits.

The notice has been developed by the Social Security Administration “in language calculated to be understood by the average individual”. The written notice provided is to include a form for the individuals to complete and sign certifying receipt of the notice. Once completed and signed, the notification is to be submitted to the agency and to the retirement system the employing entity provides for its employees. H.R. 743 is silent as to any reason for the certifications being submitted to the retirement systems, how long the certifications must be retained, or any retrieval capability requirements. The Social Security Administration (SSA) provides the notification, certification form and instructions to public employers through their Web site at www.socialsecurity.gov. Questions should be directed to your local social security office or to the SSA using the web address provided above. CalPERS will provide any additional information on this topic as it becomes available.

To make sure you receive this information and updates or notices on other topics important to California public employers, sign up to receive **CalPERS On-Line** eSubscriptions. Our **CalPERS Employer eBulletin**, ePress Alerts, eAgenda Alerts, and bi-monthly eNews get you connected to CalPERS right through your own e-mail service.

To subscribe to these services, visit our web site at www.calpers.ca.gov or call our CalPERS Customer Contact Center today at **888 CalPERS** (or **888 225-7377**).

THIS PAGE INTENTIONALLY LEFT BLANK

ELECTRONIC ENROLLMENT — AUTOMATED COMMUNICATIONS EXCHANGE SYSTEM (ACES)

The Automated Communications Exchange System, or ACES, is an online system that provides employers the ability to exchange membership, health, and payroll information with CalPERS on a transactional basis. ACES is free to all CalPERS business partners and can be accessed from an ordinary personal computer through a highly secure Internet web browser. ACES consists of the following components:

INTERNET FILE TRANSFER

Employers can transmit membership (AESD-1) and/or health (HBD-12) files securely from their internal human resources systems to CalPERS for processing. This functionality allows employers to use their existing systems to exchange information with CalPERS.

INTERNET FORMS DATA ENTRY

Employers can enter membership (AESD-1) and/or health (HBD-12) data directly into online forms and securely submit them to CalPERS via the Internet. This functionality allows employers to submit individual transactions as needed rather than having to transmit an entire file.

PARTICIPANT INQUIRY

Employers and health benefit carriers can securely perform data queries via the Internet. This query functionality allows employers and carriers to verify enrollments and track changes.

ACCOUNT MANAGEMENT

Employers and health benefit carriers can establish and manage ACES user accounts. This functionality provides self-service capability that significantly streamlines the process of creating and maintaining user IDs and passwords.

ACES benefits California's state and public employers (and hence their employees) for many reasons, such as:

REDUCED MANUAL PROCESSING

ACES allows employers to submit membership and health enrollments and changes directly to CalPERS via the Internet, so there is less paper to handle and manually enter.

The end result is improved customer service, as CalPERS and employers are able to focus on

addressing members' needs rather than on the time consuming tasks associated with manual processing.

IMPROVED PROCESSING TIME AND DATA QUALITY

ACES provides front-end edits (validations that prohibit employers from entering incorrect or incomplete information) to ensure that the required data and specific membership and health values are supplied to process transactions. This is a significant improvement over the manual process, where errors on paper forms had to be corrected and resubmitted, creating delays affecting both employers and CalPERS.

SELF-SERVICE CAPABILITIES

ACES streamlines the process for obtaining and maintaining user accounts. The account management subsystem has significantly streamlined the former 17-step process for creating user IDs and passwords. Each employer can now create and maintain user IDs for their staff with little or no involvement from CalPERS. The process now consists of three steps, reducing the time to request, create, and distribute account information from several weeks to two days.

EASILY TRACK AND MONITOR ACTIVITIES

All activities are logged to include the date, time, submitter, agency, and content of transmitted data. This becomes an online electronic record of data sent and received, eliminating manual record keeping both by employers and CalPERS while providing a mechanism to resolve errors and problems more quickly.

NOTE:

To sign up for ACES or find out more information, please contact the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

CALPERS MEMBER ACTION REQUEST FORM (PERS-AESD-1)

DOWNLOADING INSTRUCTIONS

If you currently do not have access to process membership transactions via ACES, use the **Member Action Request Form** (PERS-AESD-1) Microsoft Word file template which can be downloaded for use on your computer.

In order to use the form on your computer, you must have Microsoft Word 97 or higher. To download and use the template, follow the instructions below:

1. Go to the CalPERS Web site at:
www.calpers.ca.gov.
2. Select "For Employers" button
3. Select "Employer Forms & Publications Directory" hyperlink
4. Select "Forms" hyperlink
5. Select "CalPERS Retirement Program Forms" hyperlink
6. Select "Member Action Request, PERS-AESD-1" hyperlink

USING THE ONLINE AESD-1 FORM

1. When you open the online AESD-1 form, you may receive a dialogue message box prompting you to "Save" or "Open" the file. Choose the "Save" option. You will then be asked to determine the location on your hard drive where you want the file to be saved.
2. Close the AESD-1 online file. You must use the file saved to your hard drive to input information. If you add information to the online file and print a copy, you will not be able to save the data.
3. Use the "Tab" key to advance from field to field. You can also hold down the "Shift" key and use "Tab" to go through the fields in reverse order.
4. If an information field has specific data requirements, this information is displayed in the "Status Bar" at the lower left hand

corner of your screen. For example, Box 2 (Current Name) has a maximum character limit.

5. In Box 7 (Address) the state field defaults to "CA". However, you can change the state designation.
6. Based on the type of member transaction (appointment, address changes, permanent separations, etc.) there may be common or repeated data on every form you submit to CalPERS. These could include your employer code, coverage groups, etc. You may want to save different versions of the form with the appropriate repeated data as templates for specific transactions.
7. When the form is completed, print it out and send or fax to CalPERS at the following address:

CalPERS

Customer Service and Outreach Division
P.O. Box 942709
Sacramento, CA 94229-2709
or FAX (916) 795-3005

If you have any questions or need assistance completing the form, contact the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

An example of the PERS-AESD-1 is on the following page.

PERS-AESD-1 Form



P.O. Box 942709
 Sacramento, CA 94229-2709
 Telephone (888) 225-7377
 FAX (916) 795-3287
 TDD (916) 795-3240

(Please PRINT or TYPE clearly)

INCOMPLETE OR IMPROPERLY COMPLETED FORMS MAY BE RETURNED TO YOU

Member Action Request

1 SOCIAL SECURITY NUMBER - -			2 Current Name (First, Middle, Last)			3 Daytime Phone Number (
4 Date of Birth MM DD YYYY			5 Gender <input type="checkbox"/> Female <input type="checkbox"/> Male <input type="checkbox"/> Unknown			6 Former Name - For name changes only (First, Middle, Last)														
7 Mailing Address: In Care of (if applicable): Street/P.O. Box: Additional Address Line: City: State: CA ZIP Code: -						8 Remarks (pertaining to CalPERS)														
									9 Employer Name											
						10 Effective Date of Action MM DD YYYY						11 Subject to Section 20306 <input type="checkbox"/> Yes <input type="checkbox"/> No			12 Employer Code			13 District Code (schools only)		

15 Type of Action (check all boxes that apply for this Effective Date; if none apply, indicate action needed in "Remarks" [#8] above):

- | | | |
|---|---|--|
| A. <input type="checkbox"/> Appointment/Membership | E. <input type="checkbox"/> Military Leave | I. <input type="checkbox"/> Alternate Retirement Plan (G.C. 20306) |
| B. <input type="checkbox"/> Return from Leave | F. <input type="checkbox"/> Worker's Comp Leave | J. <input type="checkbox"/> Name Change |
| C. <input type="checkbox"/> Separation, Permanent | G. <input type="checkbox"/> Sabbatical Leave | K. <input type="checkbox"/> Address Change |
| D. <input type="checkbox"/> Separation, Temp (\geq 2 months) | H. <input type="checkbox"/> Maternity/Paternity Leave | L. <input type="checkbox"/> Coverage Group Change |

16 Coverage Group	17 Job/Position Title	18 $\frac{1}{2}$ @ 55 Formula Cont. Rate: %
--------------------------	------------------------------	---

- 19** ☐ - This person is an Optional Member (e.g., "Elective Officer," "Legislative Employee") who is electing membership.
 (Please attach appropriate election form AESD-3, AESD-59, or AESD-229)

20 BASIS FOR MEMBERSHIP QUALIFICATION: (Optional informational field. Check appropriate box.)	
<input type="checkbox"/>	Full-Time for > 6 months
<input type="checkbox"/>	Part-Time for \geq 20 hours for 1 year or more
<input type="checkbox"/>	Indeterminate; at least 20 hours a week for 1 year or more
<input type="checkbox"/>	Has completed 1,000 hours or 125 days in fiscal year
<input type="checkbox"/>	Person is already a PERS member

21 Form Completed By:

(Name & Title)		
(Telephone Number)	(Fax Number)	(Date)
(Signature of Certifying Officer)		(Date)

PERS-AESD-1 (02/2002)

ELECTION OF OPTIONAL MEMBERSHIP (PERS-AESD-59)

A completed and signed **Election of Optional Membership Form** (PERS-AESD-59), is required to validate and establish membership for an individual who qualifies as an “optional” member as an elective/appointive officer under G.C. section 20322. The form must be submitted with the **Member Action Request Form** (PERS-AESD-1), or after performing an electronic enrollment using ACES to satisfy the legal requirements.

Refer to the “Optional Members of CalPERS” section of this manual to determine “optional” membership eligibility.

WHEN TO COMPLETE

Once it has been determined that the individual does qualify for and requests “optional” membership, the PERS-AESD-1 and PERS-AESB-59 forms should be completed and submitted to CalPERS for review and approval of membership.

1. The optional member must be advised of CalPERS rights to membership when first eligible for membership (i.e., upon first taking office) but the election can be made at any time during the qualifying employment - even on the incumbent’s last day in office. You should document in your personnel records the fact that the information was provided to the individual, as well as any direct response received from the individual (e.g., “Ms. Smith declined membership at this time”). Do not send a notice to CalPERS if membership is declined.
2. The PERS-AESD-1 should be used only when the person has decided to establish membership for the “optional” position. It should not be completed as a means of requesting additional information about retirement benefits and obligations of membership, or to obtain cost information about purchasing credit for previous service. Complete the “Request for Service Credit Cost Information - Layoff, Prior Service & Optional Member Service” form to request such cost information.

3. The signed PERS-AESD-1 must be filed with CalPERS whether membership is established through submittal of that paper form or through ACES electronic filing.
4. You also need to complete the PERS-AESD-59 and enroll through a PERS-AESD-1 or ACES when a current active or inactive member assumes an “optional” member position and wishes to elect membership for that office. The individual’s current CalPERS membership status does not serve to continue the person in membership *automatically*.

OTHER GENERAL PROVISIONS AND INSTRUCTIONS

1. For CalPERS retirement purposes, optional members qualifying under G.C. section 20322 are considered to be full-time employees for all CalPERS purposes. (G.C. section 20899). Exclusions (i.e. temporary, part-time, daily-paid, etc.), in the Government Code and an employer’s contract do not apply.

NOTE:

This full-time status may result in an overtime situation, if the member has any other concurrent CalPERS positions.

2. Optional members excluded by an agency’s CalPERS contract remain excluded regardless of any PERS-AESD-59 election filed. Typical exclusions that can apply are “elective officers”, “Members of the Governing Body”, and those citing specific position titles.
3. The optional member must receive “compensation” in order for membership to be reported and service credit earned. Reimbursement of expenses alone is not considered compensation under the Government Code.
4. Elimination of, or waiver of compensation, once membership has been established does not constitute a “permanent separation” from membership for purposes of canceling membership and electing a

refund of contributions, as long as the person remains active in the same position with the employer.

5. Membership should not be established for an optional member unless the PERS-AESD-59 is signed and filed with the CalPERS Board of Administration in accordance with the "When to Complete" instructions.
6. Complete the PERS-AESD-1 or the ACES electronic membership input:
 - Indicate permanent full-time employment status (e.g., indicate "Full-time for > 6 months").
 - Use a current/future membership effective date (you may wish to coordinate with the beginning date of next pay period so that it matches the effective date of contribution reporting to CalPERS).
 - Use a coverage group appropriate to the miscellaneous or safety status of the optional position. (Only a few optional members have safety status, however; e.g., the County Sheriff.) Agencies providing modified coverage group codes should determine if the optional position is excluded for Social Security purposes. The actual time required for the position, regardless of the full-time status indicated on the PERS-AESD-1 and PERS-AESD-59,

is used to determine if Social Security time base exclusions apply.

- The fact a particular officer may work more or less than what is required for the position should not be considered in this determination.
7. Submit the original signed form PERS-AESD-59 to CalPERS; retain copies for the member and employer personnel records.
 8. Refer to the Payroll Reporting procedures "Pay rate/Earnings Relationship" for normal contribution reporting instructions.
 9. An optional member may elect to contribute and receive service for previous qualifying employment. When purchasing previous service credit, an officer must purchase all previous "optional" member service, not just part of it.
 10. An officer who is no longer in office, but is currently an active or inactive CalPERS member, may also elect to contribute for previous qualifying "optional" employment.
 11. See the publication **Service Credit Purchase Options** (PUB-12) or refer to the **Redeposit of Withdrawn Contributions and Other Types of Service** publication. Do not attach the inquiry to the PERS-AESD-59 or the PERS-AESD-1; it should be submitted separately.

Election of Optional Membership Form (PERS-AESD-59) Microsoft Word file template can be downloaded to your computer.

In order to use the form on your computer, you must have Microsoft Word 97 or higher. To download and use the template, follow the instructions below:

1. Go to the CalPERS Web site at: **www.calpers.ca.gov**.
2. Select "For Employers" button.
3. Select "Employer Forms & Publications Directory" hyperlink.
4. Select "Forms" hyperlink.
5. Select "CalPERS Retirement Program Forms" hyperlink, * select "Election of Optional Membership – Elective Office, (PERS-AESD-59)" hyperlink.

If you have any questions or need assistance completing the form, contact the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

INSTRUCTIONS TO COMPLETE THE PERS-AESD-59 ELECTION OF OPTIONAL MEMBERSHIP

ITEM	INSTRUCTIONS
Officer Title	Enter the title of the office held by the applicant.
Agency Name	Enter the name of the agency.
Agency Contact & Phone Number	Enter the name of the contact person and phone number of the contact person.
My Present Term Will Expire	Enter the date (month-day-year) on which the term will expire.
Printed Name in Full	Enter the employee's full name.
Signature	Enter the employee's signature.
Date	Enter the date the employee signed this election form.
Social Security Number	Enter the employee's Social Security Number. Verify with the Social Security card.
Address	Enter the employee's address.
Daytime Phone Number	Enter the employee's daytime phone number.
City & State	Enter the employee's city and state.
ZIP Code	Enter the employee's ZIP code.

ELECTION OF OPTIONAL MEMBERSHIP (PERS-AESD-59) SAMPLE FORM

California G.C. section 20322 provides an "elective officer" is excluded from membership in the California Public Employees' Retirement System (CalPERS) unless he or she files with the Board of Administration an election in writing to become a member.

"Elective Officer" includes any officer of the Senate or Assembly who is elected by vote of the members of either or both the house of the Legislature and an appointive officer of a city or county occupying a fixed term of office, as well as officers of state or contracting agencies elected by the people. Exceptions are: (1) Effective July 1, 1994, elected or appointed officers of a county superintendents of schools, school district, or community college district, or of a contracting agency that is not a city or county, who serve on public commissions, boards, councils, or similar legislative or administrative bodies, other than city councils or county boards of supervisors, are excluded from membership with no right to elect optional membership unless continuously holding the office since June 30, 1994; (2) Effective July 1, 1994, any person holding the office of city attorney was continuously holding the office since June 30, 1994; (3) Effective January 1, 1997, city and county elected or appointed officers who serve on public commissions, boards, councils, or similar legislative administrative bodies, other than city councils or county boards of supervisors, are excluded from membership with no right to elect "optional" membership unless they have continuously held the office since December 31, 1996.

The election of "optional" membership may be filed at any time while a compensated elective officer holds the office and the office is not otherwise excluded by law or excluded by an agency's contract. Once elected, the membership remains in effect for all future service in an elective officer position with the same employer unless there is a significant break in employment. Once membership is established, it may be terminated only upon permanent separation from employment covered by CalPERS and subsequent withdrawal of retirement contributions. While a CalPERS member, you may contribute and receive credit for any previous eligible service in the elective officer position. The Member Services Division, P.O. Box 942704, Sacramento, CA 94229-2704, will handle any such requests to purchase previous service. The form to request "optional" member arrears service is on the CalPERS Web site at www.calpers.ca.gov, or you may request the **CalPERS Service Credit Purchase Options** publication from your employer, in which a copy of the **Optional Member Service** form (PERS-MSD-372) is included.

If your election for "optional" membership in CalPERS will result in concurrent service with employment credited in a private benefit plan or another public retirement system, please contact the organization for information regarding the impact of such concurrent service. If your election will result in concurrent service under CalPERS, please contact the Member Transactions Unit, Actuarial & Customer Service and Outreach Division, at **888 CalPERS** (or **888-225-7377**).

PLEASE COMPLETE AND RETURN THIS ENTIRE FORM TO YOUR PERSONNEL OFFICE SO THEY CAN ESTABLISH YOUR MEMBERSHIP.

I AM AN ELECTIVE OFFICER AS DEFINED BY THE ABOVE, being a/the (enter Officer Title) _____ of the (Agency name) _____ (Agency contact) _____ (Agency phone) () _____

My present term will expire on _____, 20_____. In accordance with the provisions of G.C. section 20322, I ELECT TO BECOME A MEMBER OF CALPERS. I request that this election be filed with the Board of Administration of the California Public Employees' (CalPERS) as my election to become a member. I UNDERSTAND THIS ELECTION IS IRREVOCABLE AS LONG AS I REMAIN IN EMPLOYMENT AS A MEMBER.

_____ (Printed Name in FULL)	_____ (Signature)	_____ (Date)
_____ (SS Number)	_____ (Address)	
_____ (Daytime Telephone Number)	_____ (City & State)	_____ (ZIP Code)

PERS-AESD-59 (Rev. 03/2004)

OVERTIME POSITIONS

Overtime compensation may not be reported in membership to CalPERS, either as compensation, or as employment which will result in service credit being given. G.C. section 20635 defines overtime as follows:

“(T)he aggregate service performed by an employee as a member for all employers and in all categories of employment in excess of the hours of work considered normal for employees on a full-time basis, and for which monetary compensation is paid.”

CalPERS considers full-time employment to be between 34 and 60 hours per week. Employers generally have the ability to determine what constitutes full-time for an employee provided that the employee works between 34 and 60 hours per week (the exception is non-certificated school employers which is discussed below). Once the full-time weekly hours are determined the additional hours worked during the week by the employee will constitute overtime under G.C. section 20635.

G.C. section 20635.1 defines overtime as follows for school members:

“For the purposes of this part, overtime for school members is the aggregate service performed by an employee as a member for all school employers and in all categories of employment in excess of 40 hours of work per week, and for which monetary compensation is paid.”

G.C. section 20636.1 states that for all non-certificated school members full-time employment is considered 40 hours per week. This means that all hours up to 40 per week must be reported to CalPERS for non-certificated school members at the straight time rate and only those hours above 40 are considered overtime.

If overtime compensation has been erroneously reported, CalPERS will instruct an employer to retroactively reverse out payroll entries. If overtime compensation was included in a retiree's final compensation period, it will be adjusted as well.

In order to prevent overtime situations from occurring, it is recommended that you check with your employees to see if they are working with any other CalPERS-covered employer. If unsure, contact the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

Some situations that may arise in this connection are as follows:

1. The member currently holds one full-time position subject to CalPERS, and accepts a second concurrent part-time position either with the same employer, or with a different employer.

RESULT:

The part-time position is deemed to be “overtime”, and may not be reported to CalPERS.

2. The member works more than one full-time position, either with the same employer (including different school districts in the same county), or with more than one CalPERS covered employer.

RESULT:

For service worked after July 1, 1994, only the position with the highest pay rate or base pay should be reported to CalPERS. (For service prior to July 1, 1994, contact CalPERS for instructions.)

3. The member holds more than one part-time position with the same CalPERS covered employer.

RESULT:

All part-time positions are reportable to CalPERS, as the law does not specifically provide for the exclusion of such positions.

BIRTH DATE DISCREPANCY

The PERS-MEM-12 is used by CalPERS to request certification of the member's correct birth date. CalPERS may also contact you by phone, instead of sending the PERS-MEM-12, as well as incorporate such a request in a letter.

WHEN TO COMPLETE

ACTIVE MEMBER

- If there is a birth date discrepancy and the birth date has not been certified by CalPERS, you can process the change in ACES.
- However, if this is not the first birth date change OR the birth date has been certified by CalPERS, you need to contact CalPERS to have it changed.

INACTIVE MEMBER

- If the member has separated and finds he or she has provided a birth date that is incorrect, CalPERS will request the member to provide one of the "Acceptable Documents" listed below.

ACCEPTABLE DOCUMENTS

The following is the list of acceptable documents, listed in descending order of preference (i.e., with the most desirable documents listed first), to be used in resolving a birth date discrepancy. The document submitted must not be altered. It will be returned after the correct birth date has been established on our records.

1. BIRTH CERTIFICATE or HOSPITAL BIRTH RECORD established during the first few years of life. If you tell us the name of the state in which the member was born, we can furnish the address of that State's Bureau of Vital Statistics.
2. CALIFORNIA DRIVER LICENSE
3. NATURALIZATION/PASSPORT (U.S. or Canada)
4. FOREIGN PASSPORT that includes a valid INS-94 form (Record of arrival and departure).

5. BORDER CROSSING CARD with a valid INS-94 form (includes "Mica" and "Laser Visa" border crossing cards).
6. CHURCH BAPTISMAL, CRADLE or BLESSING RECORD, which shows a date of birth and was established during the first few years of life.
7. PRIMARY or SECONDARY SCHOOL RECORDS showing age at certain year or birth date. Write to the Superintendent of Schools to request records.
8. NATURALIZATION, PASSPORT or IMMIGRATION DOCUMENTS.
9. RECORDS OF AGE OR BIRTH DATE which are dated prior to 21st birthday, such as church, fraternal order, insurance, hospital, medical, adoption, guardianship, or newspaper notice of age.
10. DELAYED BIRTH CERTIFICATE. Provide the state in which the member was born, CalPERS can furnish the address of that state's Bureau of Vital Statistics.
11. CENSUS RECORDS from federal or state government—preferably first two taken after date of birth. Federal records can be requested on form BC-600. This form will be furnished upon request.
12. FAMILY BIBLE in which birth date was recorded within reasonable period of time after birth.
13. SOCIAL SECURITY CERTIFICATION documents which show the date of birth that has been established by the Social Security Administration (contact the Social Security Office where you applied for Social Security benefits).

In the event that none of the above listed documents are available, submit a written request to the Customer Service and Outreach Division. If you have additional questions, feel free to contact the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

NOTICE OF CHANGE PERS-MEM-155 (CALPERS-INITIATED FORM)

The PERS-MEM-155 is prepared by CalPERS to notify agencies of changes they need to make. Correct your agency records as instructed on the form, for reasons such as:

- To cease reporting in membership an employee who is not qualified for membership;
- To cease reporting an overtime position;
- To certify an employee contribution rate change (e.g., due to establishment of reciprocity, or change from miscellaneous to safety);
- To notify your agency to correct the Coverage Group Code and any earnings and contributions reported in error; and
- To notify two-tier agencies (i.e., agencies providing two tiers/levels of retirement benefits) that a member has elected to redeposit, and is now eligible to return to the higher level of benefits (such eligibility is based on the member having earlier employment with your agency).

P.O. Box 942704

Sacramento, CA 94229-2704

Telecommunications Device for the Deaf – (877) 249-7442

888 CalPERS (or **888-225-7377**) FAX (916) 795-1224

Reply to Section:

Date:

PERS-MEM-155 (Rev. 03/00)

EMPLOYER		EMPLOYEE	
EMPLOYEE RECORD SHOULD READ:		DELETE FROM EMPLOYEE RECORD:	
MEMBER RATE OF CONTRIBUTION	EFFECTIVE DATE	MEMBER RATE OF CONTRIBUTION	EFFECTIVE DATE
SOCIAL SECURITY	COVERAGE GROUP	SOCIAL SECURITY	COVERAGE GROUP
1959 SURVIVOR BENEFIT	ACCOUNT CODE	1959 SURVIVOR BENEFIT	ACCOUNT CODE
EMPLOYER ACTION:			
COMMENTS:			

FULL RECIPROCITY

Reciprocity is an agreement among public retirement systems to allow members to move from one public employer to another within a specific time limit without losing valuable retirement and related benefit rights.

There is no transfer of funds or service credit between retirement systems when an employee establishes reciprocity. The employee is a member of both systems and is subject to the membership and benefit obligations and rights of each system, except as they are modified by the reciprocity agreement.

The member must apply to retire from each system separately and will receive a separate retirement allowance from each system. The member must retire on the same date from each public retirement system participating in a reciprocal agreement for all benefits of reciprocity to apply.

CalPERS authority extends only to applying and implementing the California Public Employees Retirement Law; it does not extend to applying and implementing the laws or regulations under which other public retirement systems are administered. Questions relating to rights, benefits, and obligations under any of the other public retirement systems should be addressed directly to the appropriate system.

For more information on reciprocity, download or order a copy of ***When You Change Retirement Systems*** (PUB-16) at www.calpers.ca.gov or by calling **888 CalPERS** (or 888-225-7377).

RECIPROCAL 1937 ACT COUNTY RETIREMENT SYSTEMS

Alameda	Sacramento
Contra Costa	San Bernardino
Fresno	San Diego
Imperial	San Joaquin
Kern	San Mateo
Los Angeles	Santa Barbara
Marin	Sonoma
Mendocino	Stanislaus
Merced	Tulare
Orange	Ventura

RECIPROCAL PUBLIC AGENCY RETIREMENT SYSTEMS

California Administrative Services Authority
 City of Concord
 City of Costa Mesa
 (Safety employees only)
 City of Fresno
 (Miscellaneous and Safety Retirement Systems)
 City of Los Angeles
 City of Oakland
 (non-Safety employees only)
 City of Pasadena
 (Fire and Police Retirement Systems)
 City of Sacramento
 City of San Clemente
 (non-Safety employees only)
 City of San Diego
 City and County of San Francisco
 City of San Jose
 Contra Costa Water District
 County of San Luis Obispo
 East Bay Municipal Utility District
 East Bay Regional Park District
 (Safety employees only)
 Long Beach Schools Business Management Authority
 Los Angeles County Metropolitan Transportation Authority
 (Non-Contract Employees' Retirement Income Plan, formerly Southern California Rapid Transit District)

NOTE:
 With the exception of the University of California Retirement System/Plan, all of the above also have reciprocity with each other as a result of their having established reciprocity with CalPERS.

RECIPROCITY REQUIREMENTS

CONDITIONS FOR ACQUIRING THE BENEFITS OF FULL RECIPROCITY

Where CalPERS rights and benefits are involved, CalPERS will recognize reciprocity upon movement between reciprocal retirement systems if the following requirements are met:

1. The employee voluntarily elects reciprocity and continues in membership in CalPERS by leaving his or her contributions (if any) on deposit (or by later redepositing contributions he or she had withdrawn); and
2. The employee enters into employment that leads to membership in the new system within six months of leaving CalPERS employment (see note); and
3. The employee must retire on the same date under both systems by submitting a retirement application to each system respectively.
4. Certain exceptions may exist if the employee is employed under an independent public agency retirement system before the effective date of that system's reciprocal agreement with CalPERS.

NOTE:

Eligibility for reciprocity is determined by the retirement laws in effect at the time of movement between employers and retirement systems. Current CalPERS law requires movement within six months.

A member should complete the ***Election to Coordinate Retirement when Changing Retirement Systems*** form in the ***When You Change Retirement Systems*** publication (PUB-16).

IMPORTANT RESTRICTIONS

CONCURRENT EMPLOYMENT

Reciprocity does not apply when the employment under the first retirement system overlaps the employment under the new system. For the benefits of reciprocity to apply, the employee must be separated under the first system prior to joining the new system. This may be true even if the overlapping time is due to running out leave credits. The employee should check with their current system and new system about their rules before they change employment. If they are concurrently employed we will use their highest rate of pay under CalPERS when computing their retirement allowance.

REFUND RESTRICTION

Some retirement systems may not allow the member to withdraw their member contributions while they are employed in a position covered by a reciprocal retirement system or California State Teachers Retirement System (CalSTRS), Judges' Retirement System (JRS), Judges' Retirement System II (JRS II), Legislators' Retirement System (LRS) or the University of California Retirement Plan (UCRP).

For more information, contact the following retirement systems:

California State Teachers' Retirement System
P.O. Box 15275
Sacramento CA 95851-0275
(800) 228-5453

Judges' and Legislators' Retirement System
P.O. Box 942705
Sacramento CA 94229-2705
(916) 795-3688

University of California Retirement Plan
P.O. Box 24570
Oakland CA 94623-1570
(800) 888-8267

RIGHTS AND BENEFITS WITH FULL RECIPROCITY

Eligibility for reciprocity is determined by the retirement laws in effect at the time of movement between employers and retirement systems. The information contained here expresses current CalPERS law.

FINAL COMPENSATION

Use highest compensation earnable under any system in computing final compensation if retirement from all systems is concurrent.

NOTE:

California County and Public Retirement Systems may have different criteria that will qualify a member to retire, which may be different than CalPERS requirements. If a member retires on a service retirement from another retirement system prior to their age eligibility under CalPERS, upon qualifying to retire under CalPERS, we will still use the member's highest rate of pay under any of the systems.

If the member became an elective or appointed officer after July 1, 1994, we will use the highest rate of pay under CalPERS.

QUALIFICATION FOR BENEFITS

Service in the other system may be used to meet minimum service requirements for benefits.

DISABILITY RETIREMENT

If the member is eligible for disability retirement from another system (or disability income from the University of California Retirement Plan) they may be entitled to CalPERS disability retirement benefits, if they retire from both systems on the same date. CalPERS would pay an amount that does not exceed the difference between the amount that would be paid by the other system if all of the member's CalPERS service were under that system, and the amount actually paid under the other system, but not less than an annuity that is the actuarial equivalent of the member's contributions.

When retirement under the other system is for disability arising out of and in the course of employment under the other system, CalPERS pays an annuity that is the actuarial equivalent of the member's contributions.

PRE-RETIREMENT DEATH BENEFITS

If the member dies prior to retiring while employed as a member of another system, a lump-sum Basic Death Benefit consisting of a return of their CalPERS retirement contributions will be payable to a beneficiary. The total paid by both systems cannot exceed the maximum lump-sum benefit allowable if all service had been under the other system.

If the member is a Safety member of CalPERS and the death is job-related, the monthly Special Death Benefit allowance may be payable to a qualifying survivor.

MEMBERSHIP RATE AGE

Miscellaneous members and most Safety members in CalPERS have retirement formulas with a fixed rate of contribution and are not affected by their age at entry into the other system. However, other systems may use age at entry for their contribution rate. The member should check with the appropriate system for information.

CALPERS BENEFITS FOR NON-QUALIFYING INDIVIDUALS

Even if the member does not qualify for full reciprocity, CalPERS offers redeposit rights, vesting, and University of California Retirement Plan final compensation.

In addition, if their employer established a reciprocal agreement with CalPERS after they changed membership, and they would have been eligible for reciprocity had an agreement been in effect at the time of their membership change, their retirement allowance will still be based on the highest final compensation under either system, as long as they retire on the same date under both systems.

REDEPOSIT RIGHTS

If the employee withdrew their CalPERS contributions and interest and later joined a reciprocal retirement system, they can re-establish CalPERS service credit and membership by making a redeposit.

REFUND RESTRICTION

The member may not withdraw their CalPERS contributions once they have entered employment covered by the University of California Retirement Plan (UCRP) or if, within six months of leaving State service, they entered employment covered by a system under the County Employees' Retirement Law of 1937 or covered by certain other public agency retirement systems.

VESTING

If the employee is a CalPERS member who is also a member of a reciprocal retirement system, they are eligible to retire from CalPERS without meeting the CalPERS minimum service credit requirement (but they must still meet the minimum age requirement).

UNIVERSITY OF CALIFORNIA RETIREMENT PLAN FINAL COMPENSATION

The average pay rate during any 12-month or 36-month period of employment with the University of California will be used for computing final compensation, if the member retires from both systems on the same date.

CALPERS BENEFITS ARISING FROM MOVEMENT TO RECIPROCAL AND CERTAIN NON-RECIPROCAL PUBLIC RETIREMENT SYSTEMS

There is no formal reciprocity agreement established between CalPERS and the following systems:

- California State Teachers' Retirement System (CalSTRS)
- Legislators' Retirement System (LRS)
- Judges' Retirement System (JRS)
- Judges' Retirement System II (JRS II)

However, the following benefits and requirements apply to CalPERS members who enter employment with these systems and retire on the same date under both systems.

FINAL COMPENSATION

CalPERS will compute the member's final compensation based on the highest rate of pay under CalSTRS, LRS, JRS, JRS II, or CalPERS during any consecutive 12-month or 36-month period of service as long as they retire on the same date under both systems. (If a member became an elective or appointed officer on or after July 1, 1994, we will use their highest rate of pay under CalPERS.)

REDEPOSIT RIGHTS

A member of CalSTRS, LRS, JRS, or JRS II may redeposit in CalPERS previously withdrawn CalPERS contributions in order to re-establish service credit in this system.

To receive this credit, a member's election must be filed with CalPERS before their retirement is effective (G.C. section 21032). The employee should request cost information at least one year prior to their retirement date to ensure accurate and timely payment of benefits.

The right to redeposit contributions is not one of the uniform reciprocal provisions; it varies among the different public retirement systems. Contact the particular retirement system to learn of its policy regarding redepositing.

REFUND RESTRICTION

A member's CalPERS contributions may not be withdrawn while the member is in active employment as a member of CalSTRS, LRS, JRS, or JRS II.

VESTING

A CalPERS member who is a member of CalSTRS, LRS, JRS, or JRS II is eligible to retire from CalPERS without meeting the CalPERS minimum service credit requirement (but must still meet the minimum age requirement).

DISABILITY RETIREMENT

There is no provision for CalPERS disability retirement when a member is eligible for a disability benefit from CalSTRS, LRS, JRS, or JRS II. They must instead take a CalPERS service retirement on the same date they take disability retirement from the other system in order for the provisions of final compensation to apply. (If they retire on a disability retirement from the other system before they have met the CalPERS minimum service retirement age, they can later retire under CalPERS. We will use their highest CalPERS pay rate to determine their final compensation amount.)

If they will be receiving a disability allowance from CalSTRS, they can take a service retirement from CalPERS at the same time (if they meet the minimum retirement age) OR at age 60, when the disability allowance under CalSTRS is changed to a service retirement. Either way, they are considered to have retired on the same date under both systems, and CalPERS will compute their final compensation based on the highest rate of pay under either system.

HOW TO NOTIFY CALPERS WHEN THE MEMBER CHANGES RETIREMENT SYSTEMS

When the employee becomes a member of a reciprocal or non-reciprocal public retirement system, they can notify CalPERS by one of the following methods:

- Complete the ***Election to Coordinate Retirement When Changing Retirement Systems*** form in the ***When You Change Retirement Systems*** publication (PUB-16).
- Complete one of the forms in the CalPERS Refund Election Package (public agency or school employees) or the separation document (State employees) when separating from CalPERS-covered employment.

Please direct requests for information or inquiries to:

CalPERS

Customer Account Services Division, Section 841
P.O. Box 942704
Sacramento, CA 94229-2704

JRS, JRS II, AND LRS MEMBERS

Contact the Judges' or Legislators' Retirement Systems directly when an employee becomes a member of a reciprocal or non-reciprocal public retirement system:

Judges' & Legislators' Retirement Systems
P.O. Box 942705
Sacramento, CA 94229-2705
(916) 795-3688
(916) 795-1500 — Fax

LONG-TERM CARE PROGRAM MEMBERS

If the member is enrolled in the CalPERS Long-Term Care Program and has premiums deducted from their check, they should call the program's Customer Service Center at (800) 982-1775 to find out what steps they need to take to continue their premiums after retirement.

EMPLOYER CERTIFICATION OF SERVICE CREDIT PURCHASE OPTIONS

SERVICE CREDIT

Service credit represents the accumulated amount of your employees' service time at work or on paid status under their CalPERS-covered employer or employers, counted on a fiscal year basis.

Service credit is one of three prime factors used to calculate an employee's retirement benefit, along with their retirement formula and final compensation.

EMPLOYER ROLE IN SERVICE CREDIT PURCHASES

Three types of service credit require employer certification of the application requesting the service credit purchase.

- Service Prior to Membership
- Leave of Absence
- Layoff, Prior Service, Optional Member Service

CalPERS offers a variety of service credit purchase options to your employees that do not require employer certification. These include:

- Redeposit of Withdrawn Contributions
- Additional Retirement Service Credit
- Military Service
- Peace Corps, Americorps VISTA & Americorps

For a complete list, please refer to the CalPERS publication ***A Guide to Your CalPERS Service Credit Purchase Options*** available in the [CalPERS Forms and Publications Center](#) or by calling **888 CalPERS** (or 888-225-7377).

EMPLOYER COST

The service credit purchases where employers are actually billed are:

- Member-Paid Arrears (for the employer share)

- Employer-Paid Arrears (for the member and employer share)
- Settlement Agreement (Employers may pay a percentage, up to 100%, of the member's share of contributions and interest due in addition to the employer share.)

For other service credit purchases, the employer liability is funded by the actuarial evaluation and setting of the employer rate based on the service that has been posted to the employer.

SERVICE PRIOR TO MEMBERSHIP

Service Prior to Membership (SPM) is service rendered after the date of contract between a public agency, State, or School District and the System, but before the employee entered CalPERS membership. This may include time spent working for a federal or State employer under the Comprehensive Employment and Training Act (CETA). Election to contribute for SPM will result in additional service credit. Persons who were employed under the following conditions are eligible for service prior to membership:

1. Those who worked the six months membership qualification period prior to July 18, 1961.
2. Those who worked the part-month membership qualification period between July 18, 1961 and October 1, 1963.
3. Those employed less than 87 hours per month or less than an average of 20 hours per week prior to becoming a member.
4. Those formerly employed in temporary or seasonal employment in which they were excluded from membership under G.C. section 20305.
5. Those "optional" elective officers, Governor appointees and Legislative employees who are excluded because of their failure to exercise their right of election of membership under G.C. sections 20320, 20322, 20324, or 21021 and are no longer working in an "optional" position. If still in an "optional" position, refer to the "Optional Member Service" section.
6. Those who worked under CETA for a federal- or State-sponsored program such as the Public Employee Program, Public

Service Employment, Disabled Veterans' Outreach Program, Public Service Employment Program, or Cal Esteem.

To receive this credit, a member's request must be filed with CalPERS before their retirement is effective.

Active or inactive CalPERS members cannot purchase CalPERS service time if:

1. The agency where the service was earned does not currently have a contract with CalPERS.
2. Their service is excluded by law or by the employer's contract with CalPERS
3. They worked at a school in a certificated position. (They should contact CalSTRS to find out if they can purchase the service with that system.)
4. They worked at the University of California after October 1, 1963.
5. They are retired.

CERTIFICATION

When a member requests to purchase Service Prior to Membership, they are provided with a ***Request for Service Credit Cost Information Service Prior to Membership*** form (PERS-MSD-370). On this form, they indicate the prior employer information, including the period of employment and hours or time base worked per month. If this employment is with the State or with a California State University, this form is sent to CalPERS for processing. If this employment is with a Public Agency or County School, this form is then sent to that employer for certification. If the employer does not agree with the information provided by the member, the employer is asked to complete Section 5 with detailed employment information. CalPERS relies on the information provided to determine and apply all appropriate service credits. If certification results in a change in employment history relied upon by CalPERS, there is a potential employer liability.

MILITARY SERVICE

PUBLIC AGENCY MEMBERS

G.C. section 21024 effective December 1, 1975 and amended December 1, 1977 provides that public agency members may be eligible to receive military service credit, provided:

1. Public agency amends their contract accordingly.

2. Military service was rendered prior to CalPERS membership with contracting agency which has amended their contract.
3. Member makes contributions required. Payments may be made in one lump sum or by installment payments.
4. Members may receive credit not to exceed four years.

PUBLIC AGENCY RETIREES

G.C. section 21027 provides that public agency retirees may be eligible to receive credit for their military service, provided:

1. Public agency amends their contract for G.C. section 21024 and 21027.
2. Military service was rendered prior to CalPERS membership with contracting agency that has amended their contract accordingly.
3. The member retired immediately from the contracting agency and before the effective date of the agency's contract amendment for G.C. section 21024.
4. Retiree makes contributions required.
5. Retiree may receive credit not to exceed four years.

MILITARY SERVICE CREDIT AS PRIOR SERVICE

G.C. section 20996 provides employees, who are or were on military leave at the time your agency contracts for CalPERS coverage and returned to employment with your agency within six months after discharge from active military duty, can receive prior service credit for the period of their absence. If your agency provides this benefit, former employees employed by other CalPERS employers would also be eligible for this service credit. Your agency would be liable for the cost.

STATE AND COUNTY SCHOOL MEMBERS AND RETIREES

G.C. section 21029 provides that State employees and retirees may be eligible to receive credit for their military service. To be eligible the member or retiree must:

1. Currently be employed with or retired directly (within 120 days of separation) from the State employment.
2. Must have a minimum of one year of CalPERS service and one year of military service. Service is granted on a basis of one year of military service credit for each year of credited CalPERS service credit, not to exceed four years.
3. Make election to purchase the service credit.

4. In addition, State retirees must have retired on or after December 31, 1981.

The cost for the military service is based on current pay rate, the amount needed to fund the benefit, and how much military service credit is purchased. Members can use the online Service Credit Cost Estimator on the CalPERS Web site at www.calpers.ca.gov to get an estimate of this cost.

LEAVE OF ABSENCE

There are certain conditions in which some leaves of absence and some public employment may be creditable under CalPERS.

To receive this credit, a member's written request must be filed with CalPERS before their retirement is effective.

CERTIFICATION

When a member requests to purchase Service Credit for a Leave of Absence, they are provided with a **Request for Service Credit Cost Information – Leave of Absence** form (PERS-MSD-371). On this form, they indicate the prior employer information, including the period of employment and hours or time base worked per month. The member completes sections 1-3, and the employer completes section 4. Upon completion, the employer may return the form to the member or forward it to the employee's Worker Compensation carrier for Temporary Disability certification, as appropriate.

TEMPORARY DISABILITY LEAVE

Temporary disability leave is time off while receiving temporary disability payments because of a job-related injury or job-related illness.

Members must either return to active CalPERS membership or retire. There is no limit to the amount of time members may purchase.

EDUCATIONAL LEAVE OF ABSENCE

Educational leave of absence is time off to pursue higher education.

Members must be a State, University of California, or California State University employee both before and on their return from the leave. Members may purchase a maximum of two years' service credit (even if the combined total of your educational leaves exceeds two years).

SERIOUS ILLNESS LEAVE OF ABSENCE

Serious illness leave is an employer-approved uncompensated leave of absence because of a serious illness.

The employer must certify the member was approved for a leave because of their own serious illness. The member must return to active service with a CalPERS-covered employer following the leave. There is no maximum time a member can purchase.

SERVICE LEAVE

Service leave is time off to work with a college or university; a local, State, federal, or foreign government agency; or certain nonprofit organizations.

Members may purchase a maximum of two years' credit for each service leave. Members must return to CalPERS-covered employment after service leave. By law, some service leaves of absence are not eligible for CalPERS service credit, even if the employer gives prior approval.

CREDIT FOR ABSENCE FROM EMPLOYMENT FOR MILITARY SERVICE

G.C. sections 20990 through 20998 provide that a member who was absent on military service may be eligible to receive credit for the absence at employer cost. To be eligible for this service credit the member must have:

1. Been in the employment of a CalPERS covered agency prior to entering military service.
2. Been granted a military leave or have resigned from employment for the purpose of entering active duty in the armed forces.
3. Entered active duty within 90 days after leaving agency employment.
4. Returned to employment with the same agency, the State, or another agency contracting with CalPERS within six months after discharge from active duty. If the member did not return to employment within six months after discharge, they may be eligible to purchase this service credit.

LAYOFF, PRIOR SERVICE, AND OPTIONAL MEMBER SERVICE

CERTIFICATION

When a member requests to purchase Service Credit for layoff, prior service, or optional member service, they are provided with a ***Request for Service Credit Cost Information – Layoff, Prior Service & Optional Member Service*** form (PERS-MSD-372). On this form, they indicate the prior employer information, including the period of employment. The member completes sections 1-3, and the employer completes sections 4-6, as appropriate. If this employment is with the State or with a California State University, employer certification is not required and this form is sent to CalPERS for processing. Upon completion, the employer returns the form to the member.

LAYOFF

G.C. section 21022 allows certain local members, under specified conditions, to purchase service credit for a period of unemployment resulting from a layoff. The section only applies when a member previously laid off is then rehired by the same public agency and only when the public agency has contracted for this provision. No similar provision exists in the Public Employees' Retirement Law for State and school employees who have been laid off and are later rehired.

PRIOR SERVICE

Prior Service is service rendered before the date of contract between a public agency and CalPERS or for service rendered before the effective date a contract exclusion is removed, pursuant to G.C. section 20503, for those in previously excluded classes. Prior Service is also service rendered for the State of California before January 1, 1932, or for part-time State Employment between January 1, 1932 and September 19, 1939. (G.C. sections 20930, 20931, 20933, 20934 and 20972)

EXCEPTION – LOCAL SYSTEM

A former member of the local retirement system who withdrew any contributions prior to the effective date of that agency's contract with this system is entitled to credit for the service upon which those contributions were made if they elect to deposit any of those withdrawn contributions with this system under the terms and conditions

specified in G.C. section 20750. (G.C. section 20531)

OPTIONAL MEMBER SERVICE

Optional member service is time spent working in certain exempt, appointed, or elected positions that allow employees the option of joining CalPERS.

Employees can purchase service credit for optional member service if they are (or elect to become, if eligible) a CalPERS member. Employees cannot purchase service credit for optional member service if their employer did not contract for this option or are retired.

The following employees are considered optional members:

- A State employee who was appointed by the Governor, Lieutenant Governor, Attorney General, Controller, Secretary of State, Treasurer, or Superintendent of Public Instruction and is exempt from civil service.
- Some officials elected or appointed to a fixed term of office with a city or county (this may include city attorneys and elected/appointed officials of schools and contracting agencies; eligibility is determined by the dates of your term of office).
- An employee of the California State Senate or Assembly whose wages are paid from funds controlled by either body.

Employees must be an optional member on the date they request their cost information, and they must elect CalPERS membership at the same time. There are no limitations on the amount of time that can be purchased.

NOTE:

If they formerly held an optional position and are now a CalPERS member, they can also purchase their former service. See Service Prior to Membership for instructions.

CONTRACT EXCLUSIONS

If the requested employment is excluded by the employer's CalPERS contract, the purchase of this service credit is not possible. If the exclusion was removed or superseded by law after the employment was rendered, service credit rights would depend on the Government Code provisions under which the exclusion was removed.

PAYMENT METHODS

A member may elect, at any time prior to retirement, to make contributions for redeposit or other types of eligible service credit. If a member elects a cash lump-sum payment, no notification will be sent to the employer.

If a member files with the System an election to redeposit or contribute for service prior to membership or other "public service" by installment payments, the System will certify and approve the election and send the agency an authorization for payroll deductions.

No deductions should be made until the authorizing PERS-MEM-823A is received.

ADDITIONAL INFORMATION ON SERVICE CREDIT PURCHASE OPTIONS

REDEPOSIT OF WITHDRAWN CONTRIBUTIONS

Members of this System have the right to redeposit contributions previously withdrawn from CalPERS. The redeposit of withdrawn contributions restores service credit for previous employment. The member must redeposit the amount withdrawn, plus a sum equal to the interest which would have accrued had the member's funds been left on deposit. Interest will be charged from the first of the month following the date of withdrawal to the date of final payment. Payments may be made in one lump sum or by installment payments, or by a combination of an initial partial lump sum payment and the balance by installment payments. To receive this credit, a member's request must be filed with CalPERS before their retirement is effective (G.C. sections 20750 and 20752).

A member whose ex-spouse received a portion from the member's account as part of a community property judgment or settlement AND took a refund of the contributions, can redeposit those funds in CalPERS.

Exception – If the member's previous employers have terminated their contract with CalPERS, the member may not redeposit their withdrawn contributions.

To receive this credit, a member's request must be filed with CalPERS before their retirement is effective (G.C. sections 21020 and 21028).

ADDITIONAL RETIREMENT SERVICE CREDIT

G.C. section 20909 allows eligible members to purchase up to 5 years of additional service credit if the following eligibility requirements are met:

1. Members must be actively employed in compensated employment at the time they request cost information, on or after January 1, 2004.
2. Member must have a minimum of 5 years of earned service credit.
3. Employers do not need to contract for this service credit type.
4. Member may purchase service in whole year increments between 1 and 5 years.
5. This service credit cannot be used for retirement vesting, health benefits vesting, or to reach 10 years of service for enhanced disability retirement benefits.

AUTHORIZATION FOR CONTRIBUTION AND/OR RATE ADJUSTMENT PERS-MEM-823A (CALPERS-INITIATED FORM)

To certify the amount of contributions due from the employee for arrears, service prior to membership, redeposit, military service credit, partially compensated leave of absence or other instances when payment is due from the member.

SPECIAL INSTRUCTIONS

1. The PERS-MEM-823A is prepared by CalPERS. It authorizes your agency to take an extra deduction each service period for contributions due CalPERS from the member. Report the payment as a separate line entry on your payroll listing, using a Contribution Code 04 or 14. If the member has more than one payment with the same contribution code (04 or 14), payments can be reported together or separately. If the payments have a different contribution code (04 or 14), the payments need to be reported separately. If the member elects additional service credit all payments are to be taken concurrently, unless notified by CalPERS.
2. The amount of the payment is in addition to the normal contributions being reported each pay period.
3. Do not apply the changes in contribution rate and/or extra deductions prior to the effective date shown on the PERS-MEM-823A. Do not change payment amount, number of payments, or payroll reporting type without contacting CalPERS.
4. Contribution Code 04 and 14 deductions must not be reported unless authorized by a form PERS-MEM-823A.
5. It is the agency's responsibility to take only the number of Code 04 or 14 deductions authorized. CalPERS will not notify you to stop deductions. If the payments exceed the original schedule, the agency will be responsible for backing-out the overpayment(s) to CalPERS and refunding the member.
6. It is not necessary to return a copy of the PERS-MEM-823A to CalPERS to indicate deductions are being taken.
7. If a member pays the lump sum, a notification will be sent requesting the deductions be stopped with a specific pay period. It is the agency's responsibility to stop the deduction as of the specified pay period. If the member leaves employment at your agency, contact CalPERS immediately.



AUTHORIZATION FOR CONTRIBUTION AND/OR RATE ADJUSTMENT
PERS-MEM-823 A PAUC
Telecommunications Device for the Deaf - (916) 795-3240
Telephone: (916) 795-2031

EMPLOYER CODE		EMPLOYER			AGENCY UNIT CODE		MAILING DATE	
SOCIAL SECURITY NUMBER			MEMBER NAME				COVERAGE GROUP	
EFFECTIVE DATE	CONTRIBUTION TYPE			CONT. CODE	NO. OF PAYMENTS	PAYMENT AMOUNT	PAYROLL TYPE	

Instructions:

- Begin payments starting with the above effective date. If there is a change in the effective date notify CalPERS.
- The member elected _____ payments. Use contribution code ____ to report the payments.
- DO NOT change the payment amount or number of payment without authorization from CalPERS.
- If the member separates, contact CalPERS immediately.
- If you agency payroll reporting type changes, contact CalPERS. DO NOT change the payment amount without authorization.
- If the member has more than one payment with the same contribution code (04 or 14) payments can be reported together or separately. If the payments have a different contribution code (04 or 14), the payments need to be reported separately. If member elects additional service credit all payments are to be taken concurrently, unless notified by CalPERS.
- It's the agency's responsibility to ensure that the correct number of payments is reported to CalPERS. If payments exceed the original schedule, the agency will be responsible for backing out the overpayment(s) to CalPERS and refunding the member.

If you have any questions, please contact this office.

Election Processing Unit
Customer Account Services Division

THIS PAGE INTENTIONALLY LEFT BLANK

COMPENSATION REVIEW

TABLE OF CONTENTS

<u>General Information for All Reporting Methods</u>	70
<u>Employers Paying Member Contributions</u>	80
<u>EPMC Sample A</u>	86
<u>EPMC Sample B</u>	87
<u>EPMC Sample C</u>	88
<u>EPMC Sample D</u>	89
<u>EPMC Sample E</u>	90
<u>EPMC Sample F</u>	92
<u>Compensation Limits</u>	94

The information provided in this publication is for your convenience and reference as a general guide only and cannot be relied upon as an authoritative source for the law, practices, or policies of CalPERS. While CalPERS tries to include only accurate, timely and complete information in its publications, summaries, guidelines and other advisory printed materials, sometimes information provided in printed materials may be or become inaccurate, untimely, incomplete, unclear or misleading. In all instances, the law then in effect, not this publication, controls the application of the Public Employees' Retirement Law. It is the reader's responsibility to independently verify the accuracy of the information contained in this publication before engaging in a course of action.

GENERAL INFORMATION FOR ALL REPORTING METHODS

REPORTABLE/NON-REPORTABLE COMPENSATION

CALPERS COMPENSATION

Pay rate and special compensation must be in written schedules, ordinances, or similar documents that are available for public scrutiny.

California G.C. sections 20630 and 20636 define compensation earnable, pay rate and special compensation as follows:

COMPENSATION (G.C. SECTION 20630)

Compensation is broadly defined as payment to employees for services performed during normal working hours or for time during which the employee is excused from work because of holidays, sick leave, industrial disability, (payments under Labor Code Section 4800, 4850 or Education Code Section 44043, 87042) vacation, compensatory time off or leave of absence.

The employer shall identify and report compensation for the pay period in which the compensation was "earned" regardless of when paid.

WORKERS' COMPENSATION TEMPORARY DISABILITY AND INDUSTRIAL DISABILITY LEAVE PAYMENTS

WHAT IS REPORTABLE TO CALPERS?

G.C. section 20630 of the PERL defines "Compensation" as: "... the remuneration paid out of funds controlled by the employer in payment for the member's services performed during normal working hours or for time during which the member is excused from work because of: holidays; sick leave; industrial disability leave, during which, benefits are payable pursuant to Sections 4800 and 4850 of the Labor Code or Article 4 (commencing with Section 19869 of Chapter 2.5 of Part 2.6; or Education Code Section 44043, 87042) vacation; compensatory time off; or leave of absence. . ."

Labor Code Section 4850 included in the definition above, contains industrial disability leave provisions for various specified safety members of CalPERS. This pay is reportable to CalPERS. Education Code Section 44043

or 87042 contains industrial disability leave provisions for employees of the Superintendent of Schools. This compensation may also be reported to CalPERS.

Workers' Compensation temporary disability payments in lieu of Workers' Compensation that are not pursuant to the above mentioned law codes are not reportable to CalPERS. However, if a miscellaneous member uses accrued leave credits such as vacation, sick leave or compensated time off (CTO) the compensation attributable to the used leave credits are reportable to CalPERS.

COMPENSATION EARNABLE (G.C. SECTION 20636 AND G.C. SECTION 20636.1)

The pay rate and special compensation of members is further defined below.

PAY RATE

"Pay rate" means the normal monthly rate of pay or base pay of the member paid in cash to similarly situated members of the same group or class of employment for services rendered on a full-time basis during normal working hours. For purposes of this part, for classified school members, full-time employment is 40 hours per week, and payments for services rendered, not to exceed 40 hours per week, shall be reported as compensation earnable for all months of the year in which work is performed. "Pay rate," for a member who is not in a group or class, means the monthly rate of pay or base pay of the member, paid in cash and pursuant to publicly available pay schedules, for services rendered on a full-time basis during normal working hours, subject to the limitations of paragraph (2) of subdivision (e) of G.C. section 20636.

SPECIAL COMPENSATION

Special compensation shall be limited to that which is received by a member pursuant to a labor policy or agreement to similarly situated members of a group or class of employment and is reported in addition to and separately from pay rate. Special compensation is delineated specifically and exclusively in the regulations adopted in the **California Code of Regulations (CCR) Section 571 (a) and (b)**. Subsection 'b' specifies the standards that all special compensation items must meet.

A complete reprint of CCR 571 (a) and 571 (b) are on the following pages.

Only those items listed in the CCR 571 (a) and meeting the criteria listed in CCR 571 (b) are reportable. If the special compensation item is not included in the exclusive list, it is not reportable for retirement purposes.

- All special compensation is required to be reported separately from pay rate as special compensation, as it is earned.
- Do not report special compensation prospectively, it must be reported for the pay period in which it was earned.
- Special compensation shall be for services rendered during normal working hours, and when reported to the board, the employer shall identify the pay period in which the special compensation was earned.

Special compensation does not include final settlement pay, payments made for additional services rendered outside normal working hours and any other payments the CalPERS Board of Administration has not affirmatively determined to be special compensation.

Final settlement pay means any pay or cash conversions of employee benefits in excess of compensation earnable, that are granted or awarded to a member in connection with or in anticipation of a separation from employment.

Final settlement pay may consist of severance pay or so called “golden parachutes”. It may be based on accruals over a period of prior service. It is generally, but not always, paid during the period of final compensation. It may be paid in either lump sum, or periodic payments.

Final settlement pay may also take the form of a bonus, retroactive adjustment to pay rate, conversion of special compensation to pay rate, or any other method of payroll reported to CalPERS.

GROUP OR CLASS OF EMPLOYMENT

Group or class of employment means a number of employees considered together because they share job similarities, work location, collective bargaining unit, or other logical work related grouping.

COMPENSATION PAID TO COURT REPORTERS

Report compensation for Court Reporters who qualify for CalPERS membership, i.e., those who serve half-time or more. Numerous statutes and a variety of payment methods prevent CalPERS from formulating standard reporting procedures for Court Reporters. Separate instructions are provided to the individual counties. Contact the Compensation Review Unit for further information.

COMPENSATION EARNABLE FOR PART-TIME SERVICE (G.C. SECTION 20967)

For the purpose of calculating retirement benefits based on part-time service, except under G.C section 21381, compensation earnable shall be taken as the compensation that would have been earnable if the employment had been on a full-time basis and the member had worked full time, and shall conform to the definitions given in G.C section 20636.1 for school members and G.C. section 20636 for all other members.

CALIFORNIA CODE OF REGULATIONS

Special compensation items must meet definitions listed in 571 (a) as well as the criteria outlined in 571(b) to be reported to CalPERS.

571 (a) — DEFINITION OF SPECIAL COMPENSATION

(a) The following list exclusively identifies and defines special compensation items for members employed by contracting agencies and school employers that must be reported to CalPERS if they are contained in a written labor policy or agreement.

(1) INCENTIVE PAY

Bonus — Compensation to employees for superior performance such as “annual performance bonus” and “merit pay.” If provided only during a member’s final compensation period, it shall be excluded from the final compensation as “final settlement” pay. A program or system must be in place to plan and identify performance goals and objectives.

Dictation/Shorthand/Typing Premium —

Compensation to clerical employees for short hand, dictation or typing at a specified speed.

Longevity Pay — Additional compensation to employees who have been with an employer, or in a specified job classification, for a certain minimum period of time exceeding five years.

Management Incentive Pay — Compensation granted to management employees in the form of additional time off or extra pay due to the unique nature of their job. Employees within the group cannot have the option to take time off or receive extra pay. This compensation must be reported periodically as earned and must be for duties performed during normal work hours. This compensation cannot be for overtime, nor in lieu of other benefits excluded under the statutes, nor for special compensation not otherwise listed in section 571.

Marksmanship Pay — Compensation to local police officers, county peace officers and school police or security officers who meet an established criterion, such as, “certification” as a marksperson.

Master Police Officer — Compensation to local police officers, county peace officers and school police or security officers who meet specified requirements, years of employment, performance standards, education, Peace Officer Standard Training (POST), and perform a specialty assignment.

Physical Fitness Program — Compensation to local safety members and school security officers who meet an established physical fitness criterion.

Value of Employer-Paid Member

Contributions (EPMC) — The full monetary value of employer-paid member contributions (EPMC) paid to CalPERS and reported as an item of special compensation on behalf of all members in a group or class.

The value of EPMC is calculated on all “compensation earnable” excluding the special compensation of the monetary value of EPMC paid to CalPERS by the employer under G.C. section 20636(c)(4) thus eliminating a perpetual calculation.

A. A resolution or ordinance of the governing body must be provided to CalPERS indicating the group or class, effective date, and the percent or amount of EPMC being paid and reported as an item of special compensation. The resolution or ordinance must be formally adopted by the employer’s governing body, and submitted to CalPERS for review and approval.

- B. The resolution or ordinance must specify that the value of EPMC will be reported as an item of special compensation consistently, for all members in the affected group or class of employment — except that the employer’s governing body may elect a “time-in-grade exception” which shall only apply to persons newly hired into the pertinent group or class of employment.
- C. To be classified as “newly-hired”, a member of the group or class must not have been previously hired or retained by the employer in any capacity whatsoever.
- D. The time-in-grade exception must be elected in the same resolution or ordinance, or by amendment thereto, as adopted by the employer’s governing body for the purpose of paying and reporting the value of EPMC, pursuant to the California Code of Regulations (CCR) Section 571. The exception can only be used for the value of EPMC, and not for any other item of special compensation.
1. The time-in-grade exception must be applied consistently to all newly-hired employees in the pertinent group or class.
 2. The time-in-grade requirement may be incremental, not to exceed a total of five (5) years. For example, the initial requirement may be three years for paying fifty percent (50%) with increases of twenty-five percent (25%) for each additional year of time-in-grade.
 3. Once the initial time-in-grade requirement has been met by a newly-hired employee, the employer shall begin paying and reporting the value of EPMC for him or her to the same extent as for all others in the pertinent group or class.
- E. To implement the time-in-grade exception, the employer’s governing body must acknowledge that it may experience an upward adjustment to its employer contribution rate. The acknowledgment must be included in the resolution or ordinance by which the employer’s governing body elected to pay and report EPMC as an item

of special compensation, by adoption or amendment thereto.

- F. The full terms of the resolution or ordinance by which the employer's governing body elects to pay and report the value of EPMC as an item of special compensation — along with any time-in-grade exception for newly-hired employees — must be incorporated into the written labor agreement that pertains to the affected group or class of employment.

The time-in-grade exception from paying and reporting the value of EPMC as an item of special compensation pursuant to CCR Section 571, is separate and apart from the time-in-grade exception from paying EPMC pursuant to CCR Section 569. Both of these exceptions are separate and apart from, nor do they apply to, the process for converting EPMC to pay rate during the period of final compensation, pursuant to Section 20692 of the Government Code.

Off-Salary-Schedule Pay — Compensation in addition to base salary paid in similar lump-sum amounts to a group or class of employees. These payments are routinely negotiated through collective bargaining in lieu of increases to the salary schedule. These payments are based on a similar percent of scheduled salary not to exceed six percent (6%) per fiscal year. The contracting agency or school employer may adopt similar action for non-represented groups or classes of employment as were negotiated through collective bargaining.

(2) EDUCATIONAL PAY

The items of special compensation outlined below do not include reimbursement to an employee for the cost of an application or test, books, tuition or travel.

Applicator's Differential — Compensation to employees who are required to maintain a Qualified Pesticide Applicator's Certificate.

Certified Public Accountant Incentive — Compensation to miscellaneous employees passing an exam and receiving a license as a Certified Public Accountant.

Educational Incentive — Compensation to employees for completing educational courses, certificates and degrees which enhance their ability to do their job.

A program or system must be in place to evaluate and approve acceptable courses. The cost of education that is required for the employee's current job classification is not included in this item of special compensation.

Emergency Medical Technician Pay — Compensation to safety employees who obtain and maintain an emergency medical technician (EMT) certification.

Engineering Registration Premium — Compensation to engineers who have taken and passed a California engineering proficiency exam and are registered with the State of California.

Government Agency Required Licenses — Compensation to employees receiving and maintaining a license required by government or regulatory agencies to perform their duties.

International Conference of Building Officials (ICBO) Certificate — Compensation to building inspectors who obtain and maintain an International Conference of Building Officials (ICBO) certificate in one or more certified areas.

Mechanical Premium (Brake Adjustment License, SMOG Inspector License) — Compensation to employees who obtain and maintain state-required mechanical licenses.

National Institute of Automotive Service Excellence (NIASE) Certificate — Compensation to mechanics who obtain and maintain a National Institute of Automotive Service Excellence (NIASE) certificate.

Notary Pay — Compensation to clerical employees who obtain and maintain a notary public certificate from the State of California or are deputized by an agency's chief administrative officer to sign legal or financial documents for the agency.

Paramedic Pay — Compensation to employees who obtain and maintain certification in auxiliary medical techniques.

Peace Officer Standard Training (POST) Certificate Pay — Compensation to local police officers, county peace officers and school police or security officers who obtain Peace Officer Standard Training (POST) certification.

Reading Specialist Premium —

Compensation to certificated employees who have obtained special training and provide literacy instruction as part of their teaching duties.

Recertification Bonus — Compensation to local firefighters who obtain and maintain a fire safety and prevention certificate for a specified period of time.

Special Class Driver's License Pay —

Compensation to school bus drivers or street maintenance employees who are required to obtain and maintain a special class driver's license to perform their duties.

Undergraduate/Graduate/Doctoral Credit —

Compensation to school district employees who are required to obtain a specified degree.

(3) PREMIUM PAY

Temporary Upgrade Pay — Compensation to employees who are required by their employer, or governing board or body, to work in an upgraded position/classification of limited duration.

(4) SPECIAL ASSIGNMENT PAY

Accountant Premium — Compensation to rank and file employees who are routinely and consistently responsible for developing the employer's budget.

Administrative Secretary Premium —

Compensation to an administrative secretary responsible for coordinating meetings, plans and other specialized activities for the governing board of the contracting agency or school employer.

Aircraft/Helicopter Pilot Premium —

Compensation to safety employees who are routinely and consistently assigned as aircraft/helicopter pilots.

Asphalt Work Premium — Compensation to miscellaneous employees who are routinely and consistently assigned to mix, transport and/or apply a tar-like substance for sidewalks, roads, roofs and/or parking lots.

Audio Visual Premium — Compensation to miscellaneous employees who are routinely and consistently responsible for operating audio visual equipment.

Auditorium Preparation Premium —

Compensation to school employees who are routinely and consistently assigned to prepare auditorium(s), i.e. setting up stages, lighting, props and chairs for performing arts purposes.

Bilingual Premium — Compensation to employees who are routinely and consistently assigned to positions requiring communication skills in languages other than English.

Branch Assignment Premium —

Compensation to employees who are routinely and consistently assigned to a branch office or work site that is identified as "rural" or "remote" in the written labor agreement.

Canine Officer/Animal Premium —

Compensation to local police officers, county peace officers and school police or security officers who are routinely and consistently assigned to handle, train and board a canine or horse. Compensation shall not include veterinarian fees, feed or other reimbursable expenses for upkeep of the animal.

Cement Finisher Premium — Compensation to miscellaneous employees who are routinely and consistently assigned to finish cement work, e.g. watering, brushing or surfacing.

Circulation Librarian Premium —

Compensation to library staff who are routinely and consistently assigned to the circulation desk of the library.

Computer Operations Premium —

Compensation to employees who have special knowledge of computer processes and applications.

Confidential Premium — Compensation to rank and file employees who are routinely and consistently assigned to sensitive positions requiring trust and discretion.

Contract Administrator Coordinator

Premium — Compensation to school employees who routinely and consistently coordinate administrative contracts for instruction or facility maintenance.

Crime Scene Investigator Premium —

Compensation to local police officers, county peace officers and school police or security officers who are routinely and consistently assigned to analyze and explore a crime scene.

Critical Care Differential Premium —

Compensation to nursing staff who are routinely and consistently assigned to critical and intensive medical or psychological care areas.

D.A.R.E. Premium — Compensation to local police officers, county peace officers and school police or security officers who routinely and consistently provide training to students on drug abuse resistance.

Detective Division Premium — Compensation to local police officers, county peace officers and school police or security officers who are routinely and consistently assigned to a detective or investigative division or intelligence duties.

Detention Services Premium — Compensation to employees who are routinely and consistently assigned to areas where criminally charged persons are confined and nursing staff who are routinely and consistently assigned to an adult facility where criminally charged persons are confined.

DUI Traffic Officer Premium — Compensation to local police officers, county peace officers and school police or security officers who are routinely and consistently assigned to enforce Driving Under the Influence (DUI) of alcohol or drug laws.

Extradition Officer Premium — Compensation to local police officers and county peace officers who are routinely and consistently assigned to return a person to the custody of another jurisdiction.

Fire Inspector Premium — Compensation to “fire inspector” personnel who are routinely and consistently assigned to inspect buildings and other permanent structures for compliance with governmental safety standards.

Fire Investigator Premium — Compensation to “fire investigation” personnel who are routinely and consistently assigned to investigate causes of destructive burning.

Fire Prevention Assignment Premium — Compensation to rank and file local firefighters who are routinely and consistently assigned to specific fire inspections and investigative work during normal hours of employment that may differ from the work schedule of fire suppression personnel.

Fire Staff Premium — Compensation to rank and file local firefighters who are routinely and consistently assigned to administrative work during normal hours of employment that may differ from the work schedule of fire suppression personnel.

Flight Time Premium — Compensation to safety employees for time spent as co-pilot or crew on work related air missions.

Float Differential Premium — Compensation for nurses not specifically assigned to a specific station.

Front Desk Assignment (Jail) —

Compensation to employees staffing a jail who are routinely and consistently assigned the duty of responding to questions from the public.

Fugitive Officer Premium — Compensation to local police and county peace officers who are routinely and consistently assigned to pursue persons who have or are fleeing from justice.

Gang Detail Assignment Premium —

Compensation to local police officers, county peace officers and school police or security officers who are routinely and consistently assigned to enforce laws relating to a group of individuals banded together for unlawful activities.

Grading Assignment Premium —

Compensation to employees who are routinely and consistently assigned to inspect the degree of rise or descent of a sloping surface.

Hazard Premium — Compensation to employees who are routinely and consistently exposed to toxic, radioactive, explosive or other hazardous substances or perform hazardous activities to implement health or safety procedures.

Heavy/Special Equipment Operator —

Compensation to employees who are routinely and consistently assigned to operate heavy equipment or specialized equipment.

Height Premium — Compensation to employees who are routinely and consistently required to work on ladders or mechanical devices at heights over 40 feet.

Housing Specialist Premium — Compensation to city housing specialists who are routinely and consistently assigned to perform administrative functions of the housing division.

Juvenile Officer Premium — Compensation to local police officers, county peace officers and school police or security officers who are routinely and consistently assigned to enforce laws that restrict the activities of juveniles.

Lead Worker/Supervisor Premium — Compensation to employees who are routinely and consistently assigned to a lead or supervisory position over other employees subordinate classifications, or agency-sponsored program participants.

Library Reference Desk Premium — Compensation to library staff who are routinely and consistently assigned to provide direction or resources to library patrons.

Maintenance Premiums:

Gas Maintenance Premium — Compensation to maintenance employees who are routinely and consistently assigned to inspect gas construction, repair instruments or perform pipeline welder duties.

Plumber Irrigation System Premium — Compensation to plumbers who are routinely and consistently assigned as irrigation systems plumbing specialists.

Refuse Collector Premium — Compensation to maintenance employees who are routinely and consistently assigned to collect refuse.

Street Lamp Replacement Premium — Compensation to maintenance employees who are routinely and consistently assigned to replace street lamps from an aerial bucket.

MCO Instructor Premium — Compensation to miscellaneous employees who are routinely and consistently assigned to train Motor Coach Operators, i.e. bus drivers.

Motorcycle Patrol Premium — Compensation to local police officers and county peace officers who are routinely and consistently assigned to operate and/or patrol on motorcycle.

Mounted Patrol Premium — Compensation to local police officers and county peace officers

who are routinely and consistently assigned to patrol on horseback.

Narcotic Division Premium — Compensation to local police officers, county peace officers and school police or security officers who are routinely and consistently assigned to drug enforcement.

Paramedic Coordinator Premium — Compensation to paramedics who are routinely and consistently assigned to coordinate training activities in auxiliary medical techniques.

Park Construction Premium — Compensation to groundskeepers who are routinely and consistently assigned to build park equipment.

Park Maintenance/Equipment Manager Premium — Compensation to park maintenance employees who are routinely and consistently assigned to equipment management and other administrative duties.

Parking Citation Premium — Compensation to employees who are routinely and consistently assigned to read parking meters and cite drivers who have violated parking laws.

Patrol Premium — Compensation to local police officers, county peace officers and school police or security officers who are routinely and consistently assigned to patrol detail.

Police Administrative Officer — Compensation to rank and file police officers, county peace officers and school police or security officers who are routinely and consistently assigned to police administration to provide support for the police chief and command staff in the operation of the police department.

Police Investigator Premium — Compensation to rank and file local police officers, county peace officers and school police or security officers who are routinely and consistently assigned to analyze crimes or investigate accidents.

Police Liaison Premium — Compensation to rank and file local police officers, county peace officers and school police or security officers who are routinely and consistently assigned to function as a liaison between special persons, groups or courts and the police/sheriff department.

Police Polygraph Officer — Compensation to local police officers, county peace officers and school police or security officers who are routinely and consistently assigned to administer and interpret polygraph exams.

Police Records Assignment Premium — Compensation to employees who are routinely and consistently assigned to the police records division.

Rangemaster Premium — Compensation to local police officers, county peace officers and school police or security officers who are routinely and consistently assigned to supervise the target range facilities and all related activities.

Refugee Arrival Cleanup Premium — Compensation to employees who are routinely and consistently assigned to cleanup from activities directly related to refugee arrival flights.

Safety Officer Training/Coordinator Premium — Compensation to employees who are routinely and consistently assigned to instruct personnel in safety procedures.

Sandblasting Premium — Compensation to miscellaneous employees who are routinely and consistently assigned to operate sandblasting equipment.

School Yard Premium — Compensation to part-time school district employees who are routinely and consistently assigned to supervise students during recreation.

Search Pay Premium — Compensation to employees who are routinely and consistently assigned to search and process prisoners in the induction area of jails.

Severely Disabled Premium — Compensation to school instructional aides who are routinely and consistently assigned to work with severely disabled students.

Sewer Crew Premium — Compensation to laborers who are routinely and consistently assigned to repair and maintain sewer systems.

Shift Differential — Compensation to employees who are routinely and consistently scheduled to work other than a standard “daytime” shift, e.g. graveyard shift, swing shift,

shift change, rotating shift, split shift or weekends.

Solo Patrol Premium — Compensation to local police officers, county peace officers and school police or security officers who are routinely and consistently assigned to patrol alone in vehicles.

Sprinkler and Backflow Premium — Compensation to groundskeepers who are routinely and consistently assigned to repair large sprinkler head controllers, valves and backflow prevention devices.

Tiller Premium — Compensation to local firefighters who are routinely and consistently assigned to operate the tiller on an aerial ladder.

Tire Technician Premium — Compensation to equipment attendants who are routinely and consistently assigned to work on heavy duty tires, e.g. for buses and large construction equipment.

Traffic Detail Premium — Compensation to employees who are routinely and consistently assigned to direct traffic.

Training Premium — Compensation to employees who are routinely and consistently assigned to train employees.

Tree Crew Premium — Compensation to maintenance workers who are routinely and consistently assigned to remove, prune, or otherwise care for trees.

Utility Meter Premium — Compensation to miscellaneous employees who are routinely and consistently assigned to re-read utility meters, repair or set and install meters.

Utilities Systems Operation Premium — Compensation to maintenance or carpenter employees who are routinely and consistently assigned to planner duties in the maintenance division.

Water Certification Premium — Compensation to miscellaneous employees who are routinely and consistently assigned to test local water quality for compliance with governmental health standards.

(5) STATUTORY ITEMS

Fair Labor Standards Act (FLSA) —

Compensation paid for normal full-time work schedule including premium pay required by FLSA. For example, a firefighter's normal work schedule is 56 hours per week. FLSA states premium pay must be paid on all hours worked above 53 hours per week up to what is considered normal for employees on a full-time basis. In this example, the firefighter works 56 hours in a normal work week. Therefore, compensation would be reported for 53 hours per week and FLSA premium pay would be reported for 3 hours per week. Any work performed above 56 hours per week would be considered overtime and would not be reported to CalPERS.

Holiday Pay — Additional compensation for employees who are normally required to work on an approved holiday because they work in positions that require scheduled staffing without regard to holidays. If these employees are paid over and above their normal monthly rate of pay for approved holidays, the additional compensation is holiday pay and reportable to CalPERS.

For those employees with written labor agreements providing holiday credit and allowing employees to cash out accumulated holiday credit, the cash out must be done at least annually and reported in the period earned.

If a written labor agreement allows an employee to accumulate holiday credit beyond the year in which it is earned and an employee later elects to cash out accumulated holiday credit, it is not compensation for CalPERS purposes.

If an employee utilizes the cash out option only during his/her final compensation period, it will be considered final settlement pay and excluded from reportable compensation.

If the cash out option is also utilized near his/her final compensation period, it may still be excluded based upon a review of the contracting agency or school employer's experience relating to: the number of employees in the group with this option; the number of employees who exercise this option; the frequency with which employees exercise this option; whether or not the cash out is paid periodically, and in a manner that is historically consistent; and whether or not the cash out would create an unfunded liability over and above CalPERS

actuarial assumptions. This review will be conducted by CalPERS on a case-by-case basis.

Uniform Allowance — Compensation paid or the monetary value for the purchase, rental and/or maintenance of required clothing, including clothing made from specially designed protective fabrics, which is a ready substitute for personal attire the employee would otherwise have to acquire and maintain. This excludes items that are solely for personal health and safety such as protective vests, pistols, bullets, and safety shoes.

NOTE:

If in doubt as to whether an item of compensation is reportable to CalPERS, submit a copy of the memorandum of understanding, union contract, or other supporting documentation to the Customer Account Services Division, Compensation and Employer Review Unit, for a determination.

571 (b) — CALIFORNIA CODE OF REGULATIONS CRITERIA

(b) The Board has determined that all items of special compensation listed in subsection (a) are:

1. Contained in a written labor policy or agreement;
2. Available to all members in the group or class;
3. Part of normally required duties;
4. Performed during normal hours of employment;
5. Paid periodically as earned;
6. Historically consistent with prior payments for the job classification;
7. Not paid exclusively in the final compensation period;
8. Not final settlement pay; and,
9. Not creating an unfunded liability over and above CalPERS actuarial assumptions.

NOTE:

Special Compensation items must meet definitions listed in CCR 571 (a) as well as the criteria outlined in CCR 571 (b) to be reported to CalPERS.

(c) Only items listed in CCR 571 (a) have been affirmatively determined to be special compensation. All items of special compensation reported to CalPERS will be subject to review for continued conformity with all of the standards listed in CCR 571 (b).

(d) If an item of special compensation reported for a member is not listed in CCR 571 (a) or is out of compliance with any of the standards in CCR 571 (b) as reported for an individual, then it shall not be used to calculate the final compensation for that individual.

EMPLOYERS PAYING MEMBER CONTRIBUTIONS

State and federal statutes provide various provisions for paying and reporting member contributions. Below are five provisions, a brief description of each and requirements to implement any of the five. Samples of all five resolutions are located later in this section.

PAYMENT OF MEMBER CONTRIBUTIONS

A contracting public agency or school employer may pay all or a portion of the normal contributions required to be paid by members of a group or class. This is called Employer Paid Member Contributions (EPMC). If an individual is not part of a group or class, the agency must pay EPMC for the closest related group or class in order to pay EPMC for the individual. Determinations for “group of one” and closest related group are made on a case-by-case basis by the Customer Account Services Division, Compensation and Employer Review Unit. For this option a resolution is required (see Sample A). A copy should be sent to:

CalPERS

Customer Account Services Division
Compensation and Employer Review Unit
P.O. Box 942709
Sacramento, CA 94229-2709

An example of reporting contribution codes can be found in the payroll section.

CALIFORNIA CODE OF REGULATIONS (CCR) SECTION 569

Under payment of member contributions with time in-grade, an employer may implement a cumulative “time-in-grade exception” for newly-hired employees upon the election by a contracting agency or school employer for the payment of normal member contributions (Employer Paid Member Contributions - EPMC) based on compensation within the pertinent group or class. To elect the “time-in-grade exception,” the employer’s governing body must adopt a resolution (see Sample B) or ordinance that specifies the “time-in-grade” schedule and group or class involved. The “time-in-grade exception” cannot take effect until after the resolution or ordinance has been reviewed and approved by CalPERS.

To be classified as “newly hired”, a member of the group or class must not have been previously hired or retained by the employer in any capacity.

PAYING AND REPORTING THE VALUE OF EPMC

Effective July 1, 1994, under G.C. section 20636(c) and California Code of Regulations Section 571 (a) (1), an employer has the option of reporting the value of Employer Paid Member Contributions (EPMC) to CalPERS as special compensation. This provision must be adopted and applied equally to everyone in a group or class of employment. If an individual is not part of a group or class, the agency must pay and report the value of EPMC for the closest related group in order to pay and report the value of EPMC for the individual. Determinations for “group of one” and closest related group are made on a case-by-case basis by the Customer Account Services Division, Compensation and Employer Review Unit.

Should an agency decide to report the value of EPMC, it would need to comply with the following items:

1. Each written labor policy or agreement must acknowledge the fact that the employer is paying and reporting the value of EPMC for everyone in that group or class.
2. The governing board must pass a Resolution utilizing language similar to Sample C.
3. The Resolution must be sent to the Compensation and Employer Review Unit and written confirmation of compliance will be returned to the employer.
4. The amount (percent) of EPMC being paid by the employer is the value (amount) that must be reported as special compensation.
5. The value of EPMC must be reported on all compensation, i.e., pay rate and special compensation. Do not report the value of EPMC on the value of EPMC under G.C. section 20636(c)(4). This avoids the perpetual loop of reporting the value of EPMC on the previous value of EPMC.

NOTE:

School districts may negotiate for this provision on a district by district basis. It does not have to apply to all districts under the County Office of Education.

Reporting the value of EPMC should not affect the calculations the agency makes for overtime or other special payments employees receive as a factor of base salary. Reporting the value of EPMC is not subject to state and federal income taxes, nor Social Security and Medicare taxes. However, since there is no case or ruling directly related to Social Security and Medicare, affected employers should consider seeking a ruling from the Internal Revenue Service on this issue.

The cost of reporting the value of EPMC will be an increase in the agency's employer and employee contributions due to the increased earnings reported. There could also be an increase to the employer's rate similar to increases associated with comparable pay rate increases for groups of employees. The cost for this provision is expected to be the same as the cost of converting EPMC to salary in the final compensation period.

The cost is paid in a different manner, i.e., if the additional compensation increases an employee's retirement allowance by \$100.00 per month under either method, CalPERS will collect the same amount of money from member and employer contributions to pay for that benefit.

PAYING AND REPORTING THE VALUE OF EPMC WITH TIME IN GRADE

Under the CCR Section 571 regulation, an employer may implement a cumulative "time-in-grade exception" for newly-hired employees for contracting agency or school employers to pay and report the value of EPMC as an item of "special compensation" within the pertinent group or class. To elect the "time-in-grade exception," the employer's governing body must adopt a resolution (see Sample D) that specifies the "time-in-grade" schedule and group or class involved. The "time-in-grade exception" cannot take effect until after the resolution has been reviewed and approved by CalPERS. To be classified as "newly hired", a member of the group or class must not have been previously hired or retained by the employer in any capacity.

REPORTING THE VALUE OF EPMC

The example below demonstrates the method to report the value of EPMC on compensation earnable. The employee in this example has \$5,000.00 in regular earnings and a special compensation entry of \$50.00 for Uniform Allowance. The member contribution rate in this example is 7% (shown as or expressed as .0700%). The last entry with a pay code 09 (special compensation), pay rate of \$353.50, earnings of \$353.50, and \$24.75 in contributions illustrates reporting the value of EPMC as a separate payroll entry:

Type of Payroll Entry	Month/Year/Service Period Type	Pay Code	Pay Rate	Earnings	Member Contribution Rate	Member Contributions
Normal Payroll Entry	10/08/0	01	\$5,000.00	\$5,000.00	.0700	\$350.00
Special Compensation Entry	10/08/0	09	\$50.00	\$50.00	.0700	\$3.50
Reporting the Value of EPMC	10/08/0	09	\$353.50	\$353.50	.0700	\$24.75
				\$5,403.50		\$378.25

Please direct your questions to:

CalPERS

Customer Account Services Division
Compensation and Employer Review Unit
P.O. Box 942709
Sacramento, CA 94229-2709

**CONVERTING EPMC TO PAY RATE IN THE
FINAL COMPENSATION PERIOD
(CONTRACT AMENDMENT METHOD)**

The conversion of EPMC to pay rate in an employee's final compensation period is the only conversion provision allowed in the Public Employees' Retirement Law (PERL). To contract for this provision, an employer must have a resolution on file for EPMC. This provision must be adopted and applied equally to everyone in a group or class of employment. If an individual is not part of a group or class, the agency must adopt this provision for the closest related group or class in order to convert EPMC to pay rate for the individual. Determinations for "group of one" and closest related group are made on a case-by-case basis by the Customer Account Services Division, Compensation and Employer Review Unit.

G.C. section 20692, effective July 1, 1994, provides:

"(a) Where a contracting agency employer or a school employer has elected to pay all or a portion of the normal contributions of members of a group or class of employment pursuant to G.C. section 20691, the employer may, pursuant to a labor policy or agreement, stop paying those contributions during the final compensation period applicable to the members and, instead, increase the pay rate of the members by an amount equal to the normal contributions paid by the employer on behalf of the employees in the pay period immediately prior to the final compensation period or increase the pay rate of the members by an amount established by a labor policy or agreement in existence and in effect on June 30, 1993. That amount shall not exceed the amount of the normal member contributions that are required to be paid by the members."

For more information or questions, please refer to the California Code of Regulations, Section 566.1., found in the PERL or you may contact the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

Should an agency decide to stop paying members' contributions in the final compensation period and instead increase the pay rate by an equal amount, it would need to comply with the following:

1. Request a valuation from the Public Agency Contract Services Unit and follow their contract amendment procedures for this provision.
2. Include the provision in each written labor policy or agreement adopting this provision. The amount of EPMC converted to pay rate must be the same amount (percent) of EPMC being paid by the employer unless there is a written labor agreement still in effect that was adopted prior to June 30, 1993 allowing the conversion of a smaller amount of EPMC than what is being paid.
3. Stop paying the member's contribution in the final compensation period and give a pay increase for all purposes. This is not just reporting the value of EPMC in the final compensation period.
4. The conversion of EPMC must be on all compensation (i.e., pay rate and special compensation).

After an agency amends its contract with CalPERS to provide this conversion, the new employer rate is effective the same day the amendment is effective. All employees in a group or class must be treated the same and there can be no "election" on the part of individual employees to convert EPMC to pay rate in the final compensation period. The conversion would be allowed from the effective date of the contract amendment and cannot be reported prior to the contract amendment effective date.

If an employee only gives two weeks notice of retirement, the agency must retroactively adjust and report payroll for the conversion in the full final compensation period (for any final compensation period after the effective date of the contract amendment). If an employee cancels a retirement date, the agency can reverse the entries for the conversion but must commence the conversion again in the new final compensation period. An example of reporting contribution codes can be found later in this section.

NOTE:

Individual school districts cannot amend for this provision. All districts in a County Office of Education must amend for this provision by passing a resolution. After all districts have passed a resolution, the County Office of Education may amend its contract to convert EPMC to pay rate in the final compensation period.

**TAX-DEFERRING THE MEMBER-PAID CONTRIBUTIONS
INTERNAL REVENUE CODE SECTION
414(h)(2)**

EMPLOYER PICK-UP

A benefit that employers can provide to their employees at no cost to the employer or employee is Internal Revenue Code (IRC) Section 414(h)(2), Employer Pick-Up.

Under this provision, employees pay their own member contributions from reportable compensation and defer state and federal income taxes on the member contributions. The Employer Pick-Up allows employees' contributions to be treated as employer contributions for federal and state tax purposes, thus lowering the employees' taxable gross income.

The amount reported to the Internal Revenue Service is reportable compensation less the member contributions. Federal and state taxes on the amount of contributions are postponed until distribution either through a retirement allowance or a lump sum payment (refund). All supplemental pay that is based upon employees' salary, such as overtime, will be computed on the employees' original gross salary (base pay including the member contributions). There is no increase in the member's pay rate reported to CalPERS when reporting tax-deferred member contributions under Internal Revenue Code (IRC) Section 414(h)(2).

To implement this provision, the employer's duly authorized board of trustees must adopt the appropriate resolution for the affected group or class of employees (Sample E Resolution). Once the resolution is adopted, contributions for all employees in the affected group or class must be reported to CalPERS on a tax-deferred basis. Employees may not elect Employer Pick-Up on an individual basis.

Copies of all resolutions for member contributions should be sent to:

CalPERS

Customer Account Services Division
Compensation and Employer Review Unit
P.O. Box 942709
Sacramento, CA 94229-2709

For more information, contact the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

PRE-TAX PAYROLL DEDUCTION PLAN (A.K.A. PLAN) FOR SERVICE CREDIT PURCHASE(S)

By filing a Resolution (see Sample F) with CalPERS, employers are allowed to extend the pick-up of member contributions under Internal Revenue Code (IRC) Section 414(h)(2) provisions for member payments by payroll deductions for service credit purchases. Individual employers who opt to participate in this “pick-up” program provide their employees, who elect to participate, with the benefit of deferring income tax liability on member service credit purchases.

County Superintendents of Schools need submit only one Resolution which will cover all the districts/units within that superintendent's jurisdiction. The effective date for commencement of the Plan cannot be any earlier than the date the completed resolution is received and approved by CalPERS.

PLAN RESTRICTIONS/REQUIREMENTS

EMPLOYER

1. The employer must file with CalPERS a completed original of the resolution to allow their employees to participate in the Plan.
2. The wording of the resolution cannot be altered.
3. The resolution applies to all employees in the specified classification groups (i.e. miscellaneous, safety, etc) or coverage groups (i.e. 70001, 70002, 74001, 75001, etc.).
4. Upon receipt of an approval letter from CalPERS, the employer must also complete the “Readiness to Report” form. This form

certifies that their payroll system can concurrently report both Contribution Code 04 (after tax) and Contribution Code 14 (pre-tax) payroll deductions for any employee with multiple service credit elections.

5. Pre-tax payroll deductions (Code 14) must not be reported by the employer until the member has elected the Plan. For each electing member, CalPERS will send a payroll deduction authorization form specifying their effective date of Contribution Code 14 reporting. IRS does not allow retroactive deductions.
6. The employer is responsible for reducing the taxable income of a member by the pre-tax payroll deduction amount.
7. Pre-tax deductions will be completed through the payroll reporting process using Code 14 instead of Code 04. Both contributions and contribution codes should be reported in the Tax-deferred Member Contribution fields instead of the Normal Member Contribution fields.
8. If an employee has more than one service credit purchase authorization, each authorization must be reported as separate entries.
9. The employer may report both codes and contributions through a manual process by submitting Supplemental Payroll documents on an interim basis until their payroll system can incorporate both the code and contribution on a pre-tax basis for each employee.
10. Overpayments must be reported as negative adjustments through the payroll reporting process. The employer will be responsible for returning such funds to the member as taxable income.
11. The employer is responsible for ALL payroll corrections (including W-2 reporting) for the member.
12. The employer will report payroll deductions for service credit purchases for members who choose NOT to elect the Plan on an after-tax basis (Code 04).
13. Once the Plan Resolution is adopted, it is irrevocable.

MEMBER

1. Upon approval of the employer/CalPERS resolution, the member has the option to file a binding irrevocable election with CalPERS to elect the Plan for each type of service credit purchase.
2. Members with an existing (Code 04) receivable who are not within 90 days of retirement or do not have a delinquent status on their receivable account will be notified by CalPERS of their opportunity to elect the Plan.
3. Members requesting service credit purchase(s) will be provided the pre-tax election opportunity (if the employer is a Plan participant and the member's group or class is covered under the resolution) with their cost information letter.
4. The Plan amount and time period are irrevocable and cannot be adjusted or discontinued at any time during the payroll deduction schedule.
5. The deductions are member contributions and are subject to income taxes when received by the member as either a retirement benefit or refund.
6. A member who elects the Plan deductions then changes employers will automatically continue pre-tax payroll deduction payments if the new employer is a Plan participant. If the new employer does not have a resolution on file with CalPERS, the deductions will be taken on an after-tax basis.
7. A member who elects the Plan is not allowed to make additional direct cash payments (i.e., lump sum, partial payments, or increased scheduled payments).
8. A member who elects the Plan and terminates employment will be given the option to pay the lump sum balance or continue payments on an after-tax basis through Direct Payments to CalPERS.
9. A member who elects the Plan and retires may request to pay the lump sum balance. If no request is made, payments will continue through retirement allowance deductions as after-tax deductions.
10. Electing the Plan will reduce the taxable gross and may lower the amount the member can contribute into a defined contribution plan. It is the member's responsibility to determine the potential impact prior to electing the Plan.
11. Once pre-tax deductions are elected, it is irrevocable unless #6 or #8 above applies.

For more information contact:

CalPERS

Customer Account Services Division
Service Credit Section, Unit 830
P.O. Box 942704
Sacramento, CA 94229-2704

Or contact the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

RESOLUTION FOR EPMC

Sample A

RESOLUTION FOR EMPLOYER PAID MEMBER CONTRIBUTIONS

WHEREAS, the governing body of the **[NAME OF AGENCY]** has the authority to implement G.C. section 20691;

WHEREAS, the governing body of the **[NAME OF AGENCY]** has a written labor policy or agreement which specifically provides for the normal member contributions to be paid by the employer;

WHEREAS, one of the steps in the procedures to implement G.C. section 20691 is the adoption by the governing body of the **[NAME OF AGENCY]** of a Resolution to commence said Employer Paid Member Contributions (EPMC);

WHEREAS, the governing body of the **[NAME OF AGENCY]** has identified the following conditions for the purpose of its election to pay EPMC:

- This benefit shall apply to all employees of **[MEMBERSHIP CATEGORY]** OR **[GROUP OR CLASS]**
- This benefit shall consist of paying **[PERCENT]** of the normal member contributions as EPMC.
- The effective date of this Resolution shall be **[DATE]**.

NOW, THEREFORE, BE IT RESOLVED that the governing body of the **[NAME OF AGENCY]** elects to pay EPMC, as set forth above.

BY

(Name of Official)

(Title of Official)

(Date adopted and approved)

RESOLUTION FOR EPMC WITH TIME-IN-GRADE EXCEPTION

Sample B

RESOLUTION FOR EMPLOYER PAID MEMBER CONTRIBUTIONS WITH TIME-IN-GRADE EXCEPTION

WHEREAS, the governing body of the **[NAME OF AGENCY]** has elected* to pay all or a part of the normal member contributions to the California Public Employees' Retirement System (CalPERS) pursuant to G.C. section 20691, and applicable labor policies or agreements;

WHEREAS, the governing body of the **[NAME OF AGENCY]** may elect a time-in-grade Exception to said Employer Paid Member Contributions (EPMC) within a given group or class of employees as defined in Government Code Section 20636(e)(1) and as specifically authorized in Title 2, California Code of Regulations Section 569;

WHEREAS, the governing body of the **[NAME OF AGENCY]** has identified the following conditions for the application of said Exception:

- This exception shall apply to all employees of **[MEMBERSHIP CATEGORY] OR [GROUP OR CLASS]**.**
- **[NAME OF AGENCY]** elects to pay % for all current employees.
- For employees hired after (Date) , the (Name of Agency) will pay EPMC according to the following time-in-grade schedule:

Year **[YEAR]** at **[PERCENT]** %.***
(cannot be prior to the effective date of this resolution).

- Once a newly-hired employee accrues five (5) years of total service (either on a continuous or cumulative basis), s/he shall be entitled to payment of EPMC on the same terms that apply to all other employees in the group or class. In so resolving, the governing body of the (Name of Agency) agrees to abide by Section 569, the terms of which are incorporated-by-reference as if fully set forth herein.
- The effective date of this Resolution shall be **[DATE]**.

NOW, THEREFORE, BE IT RESOLVED that the governing body of the **[NAME OF AGENCY]** elects a time-in-grade Exception as set forth above.

BY

(Name of Official)

(Title of Official)

(Date adopted and approved)

*Note: This sample Resolution is designed as an amendment to a pre-existing Resolution to pay EPMC (see Sample Resolution A). In the alternative, a governing body of a public agency may incorporate the terms of this sample Resolution into the Resolution by which it initially elects to pay EPMC (i.e., if there is no pre-existing Resolution A).

**Note: This Exception may be elected for any or all of the groups or classes of employees on whose behalf a public agency has elected to pay EPMC.

***Note: Employer may add additional steps; however, the five (5) year requirement remains.

RESOLUTION FOR PAYING AND REPORTING THE VALUE OF EPMC

Sample C

RESOLUTION FOR PAYING AND REPORTING THE VALUE OF EMPLOYER PAID MEMBER CONTRIBUTIONS (EPMC)

WHEREAS, the governing body of the **[NAME OF AGENCY]** has the authority to implement Government Code Section 20636(c)(4) pursuant to G.C. section 20691;

WHEREAS, the governing body of the **[NAME OF AGENCY]** has a written labor policy or agreement which specifically provides for the normal member contributions to be paid by the employer, and reported as additional compensation;

WHEREAS, one of the steps in the procedures to implement G.C. section 20691 is the adoption by the governing body of the **[NAME OF AGENCY]** of a Resolution to commence paying and reporting the value of said Employer Paid Member Contributions (EPMC); pursuant to CCR title 2 section 571(a)(1).

WHEREAS, the governing body of the **[NAME OF AGENCY]** has identified the following conditions for the purpose of its election to pay EPMC;

- This benefit shall apply to all employees of **[GROUP OR CLASS]**.
- This benefit shall consist of paying **[PERCENT]** of the normal contributions as EPMC, and reporting the same percent (value) of compensation earnable* (excluding Government Code Section 20636(c)(4)) as additional compensation.
- The effective date of this Resolution shall be **[DATE]**.

NOW, THEREFORE, BE IT RESOLVED that the governing body of the **[NAME OF AGENCY]** elects to pay and report the value of EPMC, as set forth above.

BY

(Name of Official)

(Title of Official)

(Date adopted and approved)

*Note: Payment of EPMC and reporting the value of EPMC on compensation earnable is on pay rate and special compensation except special compensation delineated in Government Code Section 20636(c)(4) which is the monetary value of EPMC on compensation earnable

RESOLUTION FOR PAYING AND REPORTING THE VALUE OF EPMC WITH TIME-IN-GRADE EXCEPTION

Sample D

**RESOLUTION FOR PAYING AND REPORTING THE VALUE OF EMPLOYER PAID MEMBER CONTRIBUTIONS
WITH TIME-IN-GRADE EXCEPTION**

WHEREAS, the governing body of the **[NAME OF AGENCY]** has elected* to pay and report the value of all or a part of the normal member contributions to the California Public Employees' Retirement System (CalPERS) pursuant to Government Code Sections 20636 (c)(4) and 20691, and applicable labor policies or agreements;

WHEREAS, the governing body of the **[NAME OF AGENCY]** may elect a time-in-grade Exception to said Employer Paid Member Contributions (EPMC) within a given group or class of employees as defined in Government Code Section 20636(e)(1) and as specifically authorized in Title 2, California Code of Regulations (CCR) Section 571;

WHEREAS, the governing body of the **[NAME OF AGENCY]** has identified the following conditions for the application of said Exception:

- This Time-in-Grade Exception shall apply to all employees of **[GROUP OR CLASS]**.**
- **[NAME OF AGENCY]** elects to pay **[PERCENT]** for all current employees.
- For employees hired after **[DATE]**, the **[NAME OF AGENCY]** will, pursuant to Title 2, California Code of Regulations Amended Section 571, pay and report the value of EPMC according to the following time-in-grade schedule:
Year **[YEAR]** at **[PERCENT]**.***
(cannot be prior to the effective date of this resolution).
- Once a newly-hired employee accrues five (5) years of total service (either on a continuous or cumulative basis), s/he shall be entitled to payment of EPMC on the same terms that apply to all other employees in the group or class. In so resolving, the governing body of the **[NAME OF AGENCY]** agrees to abide by CCR Section 571, the terms of which are incorporated-by-reference as if fully set forth herein.
- The effective date of this Resolution shall be **[DATE]**.

WHEREAS, the governing body of the **[NAME OF AGENCY]** acknowledges that the adoption of this Resolution may result in an upward adjustment of its employer contribution rate;

NOW, THEREFORE, BE IT RESOLVED that the governing body of the **[NAME OF AGENCY]** elects a time-in-grade exception, as set forth above.

BY

(Name of Official)

(Title of Official)

(Date adopted and approved)

*Note: This sample Resolution is designed as an amendment to a pre-existing Resolution to pay and report EPMC (see Sample Resolution C). In the alternative, a governing body of a public agency may incorporate the terms of this sample Resolution into the Resolution by which it initially elects to pay and report EPMC (i.e., if there is no pre-existing Resolution C).

**Note: This Exception may be elected for any or all of the groups or classes on whose behalf a public agency has elected to pay and report EPMC.

***Note: Employer may add additional steps; however, the five (5) year requirement remains.

RESOLUTION TO TAX DEFER MEMBER PAID CONTRIBUTIONS - IRC 414(h)(2)

Sample E

EMPLOYER PICK-UP

WHEREAS, the governing body of the **[NAME OF AGENCY]** has the authority to implement the provisions of section 414(h)(2) of the Internal Revenue Code (IRC); and

WHEREAS, the **[NAME OF AGENCY]** has determined that even though the implementation of the provisions of section 414(h)(2) IRC is not required by law, the tax benefit offered by section 414(h)(2) IRC should be provided to **[ALL EMPLOYEES, OR ALL EMPLOYEES IN A RECOGNIZED GROUP OR CLASS OF EMPLOYMENT]** who are members of the California Public Employees' Retirement System:

NOW, THEREFORE, BE IT RESOLVED:

- I. That the **[NAME OF AGENCY]** will implement the provisions of section 414(h)(2) Internal Revenue Code by making employee contributions pursuant to California Government Code section 20691 to the California Public Employees' Retirement System on behalf of all its employees or all its employees in a recognized group or class of employment who are members of the California Public Employees Retirement System. "Employee contributions" shall mean those contributions to the Public Employees' Retirement System which are deducted from the salary of employees and are credited to individual employee's accounts pursuant to California Government Code section 20691.
- II. That the contributions made by the **[NAME OF AGENCY]** to the California Public Employees' Retirement System, although designated as employee contributions, are being paid by the **[NAME OF AGENCY]** in lieu of contributions by the employees who are members of the California Public Employees' Retirement System.
- III. That employees shall not have the option of choosing to receive the contributed amounts directly instead of having them paid by the **[NAME OF AGENCY]** to the California Public Employees' Retirement System.
- IV. That the **[NAME OF AGENCY]** shall pay to the California Public Employees' Retirement System the contributions designated as employee contributions from the same source of funds as used in paying salary.
- V. That the amount of the contributions designated as employee contributions and paid by the **[NAME OF AGENCY]** to the California Public Employees' Retirement System on behalf of an employee shall be the entire contribution required of the employee by the California Public Employees' Retirement Law (California Government Code Sections 20000, et seq.).

VI. That the contributions designated as employee contributions made by **[NAME OF AGENCY]** to the California Public Employees' Retirement System shall be treated for all purposes, other than taxation, in the same way that member contributions are treated by the California Public Employees' Retirement System.

PASSED AND ADOPTED by the governing body of the _____ **[NAME OF AGENCY]** this day of **[DATE]**, **[YEAR]**.

BY

(Signature of Official)

(Title of Official)

RETURN ADDRESS:

RESOLUTION TO TAX DEFER SERVICE CREDIT PURCHASES

Sample F

Return to CalPERS - Unit 830

Employer code: _____

**EMPLOYER PICKUP RESOLUTION
PRE-TAX PAYROLL DEDUCTION PLAN
FOR SERVICE CREDIT PURCHASES
(CONTRIBUTION CODE 14)**

WHEREAS, the Board of Administration of the California Public Employees' Retirement System (CalPERS) at the April 1996 meeting approved a pre-tax payroll deduction plan for service credit purchases under Internal Revenue Code (IRC) section 414(h)(2); and

WHEREAS, the _____ Name of Employer has the authority to implement the provisions of IRC section 414(h)(2) and has determined that even though implementation is not required by law, the tax benefit offered by this section should be provided to those employees who are members of CalPERS; and

WHEREAS, the _____ Name of Employer elects to participate in the pre-tax payroll deduction plan for all employees in the following CalPERS Coverage Group(s):

Enter Membership Coverage Group(s) here:

NOW, THEREFORE, BE IT RESOLVED:

I. That the _____ Name of Employer will implement the provisions of IRC Section 414(h)(2) by making employee contributions for service credit purchases pursuant to the California State Government Code on behalf of its employees who are members of CalPERS and who have made a binding irrevocable election to participate in the pre-tax payroll deduction plan. "Employee contributions" shall mean those contributions reported to CalPERS which are deducted from the salary of employees and are credited to individual employee accounts for service credit purchases, thereby resulting in tax deferral of employee contributions.

II. That the contributions made by the _____ Name of Employer to CalPERS, although designated as employee contributions, are being paid by the _____ Name of Employer in lieu of contributions by the employees who are members of CalPERS.

III. That the employees shall not have the option of choosing to receive the contributed amounts directly instead of having them paid by the _____ Name of Employer to CalPERS.

IV. That the _____ **Name of Employer** _____ shall pay to CalPERS the contributions designated as employee contributions from the same source of funds as used in paying salary, thereby resulting in tax deferral of employee contributions.

V. That the effective date for commencement of the pre-tax payroll deduction plan cannot be any earlier than the date the completed resolution is received and approved by CalPERS.

VI. That the governing body of the _____ **Name of Employer** _____ shall participate in and adhere to requirements and restrictions of the pre-tax payroll deduction plan by reporting pre-tax payroll deductions when authorized by CalPERS for those employees of the above stated Coverage Group(s) who have elected to participate in this plan.

PASSED AND ADOPTED by the governing body of the _____ **Name of Employer** _____ this _____ day of _____, _____.
Day Month Year

BY _____
(Signature of Official)

(Title of Official)

RETURN ADDRESS:

FOR CALPERS USE ONLY

Pre-tax payroll deduction plan effective date: _____

Approved By: _____ **Title:** _____

CUSTOMER ACCOUNT SERVICES DIVISION, Service Credit Section-Unit 830

COMPENSATION LIMITS

COMPENSATION LIMITS (IRC SECTION 401(a)(17))

Section 401(a)(17) of the Internal Revenue Service Code provides dollar limitations on annual compensation that can be taken into account under qualified retirement plans. CalPERS notifies all employers of the new limits each year in January by sending a Circular Letter. The employer should notify those employees who reach the compensation limit.

The compensation limit is only applicable to persons who first became members or participants of California Public Employees' Retirement System (CalPERS) on or after July 1, 1996.

For those members who are subject to the limit, their final compensation will be capped at the limit in effect for each 12 consecutive-month period that is used to calculate their allowance if they were to retire. For example, the compensation limit for 2008 is \$230,000. Therefore, the member should not make contributions on earnings that exceed the \$230,000 limit within the 2008 calendar year. The earnings that are mentioned are those earnings that are reportable to CalPERS, which exclude earnings for overtime, automobile allowances, lump sum payouts, etc. The compensation limit does not limit the salary an employer can pay an employee who is a member of CalPERS.

If an employee's compensation reaches the limit, the employer should do the following:

- Send a notice to the following address indicating the member's name, Social Security Number and service period in which the employee's compensation first exceeded the limit:

CalPERS

Customer Account Services Division
Attn: Payroll Manager
P.O. Box 942709
Sacramento, CA 94229-2709

- Continue reporting Pay Code, Pay Rate, Member Earnings and a Contribution Code 01, but no member contributions for the periods that remain in the calendar year. Reporting the contribution code 01 allows the employee to continue earning service credit without making contributions on earnings that exceed the limit. If code 11 is used instead of 01, then the member will not receive service credit. While the law limits employee contributions, employer contributions should still be paid on all earnings that are reported. If an employee's pay rate increases after the time you cease reporting contributions, please indicate the higher pay rate and earnings on your payroll transaction in case legislation were to change the original limits established for the year.
- Once the calendar year is over, resume reporting contributions for the employee and begin the monitoring for the new calendar year.
- If an employee has already reached the limit and the above has not been done, please use a CalPERS Contribution Code 02 or 12 to make a prior period contribution adjustment and reverse contributions for each period that was reported to CalPERS on earnings that exceeded the limit. Federal law does not allow CalPERS to refund over-reported contributions to an active member of the system. The employer must report these adjustments and refund the money to the employees.

At this time, employer monitoring of their employees' compensation is the only method CalPERS has to determine if limits are exceeded. CalPERS plans to incorporate an automated means to monitor employee compensation and identify those that exceed the limit in the new contribution reporting system that is currently being developed.

PAYROLL REPORTING PROCEDURES

TABLE OF CONTENTS

<u>Payroll Reporting Elements</u>	98
<u>Selecting and Reporting Contribution Codes</u>	104
<u>Contribution Reporting Procedures</u>	113
<u>Schools Payroll Reporting</u>	116
<u>Basic Contribution Calculation</u>	117
<u>Pay Rate / Earnings Relationship</u>	123
<u>Full-Time Service Credit</u>	124
<u>Full-Time Service Credit Payroll Reporting Examples</u>	125
<u>Full-Time Service Credit – Elected/Appointed Officials</u>	129
<u>School Member Pay Rates</u>	131
<u>Furlough Reporting</u>	132
<u>Payroll Reporting Methods</u>	134
<u>Payroll Reporting System (PC Method and ACES)</u>	135
<u>Payroll Reporting System (Diskette/Magnetic Tape Methods)</u>	137
<u>Payroll Pre-List (PERS-AESD-625A)</u>	146
<u>Payroll Listing – All Computerized Reporting Methods</u>	149
<u>Supplemental Payroll Reporting Form</u>	150
<u>Reporting Deadlines, Penalties, Waivers, and Extensions</u>	154
<u>Summary Report / Member and Employer Contributions</u>	155
<u>Notice of Adjustment, Employer Contributions</u>	161
<u>Payment of Contributions Using Electronic Funds Transfer (EFT)</u>	165
<u>Electronic Payment Services</u>	167
<u>Payroll Discrepancies</u>	171

The information provided in this publication is for your convenience and reference as a general guide only and cannot be relied upon as an authoritative source for the law, practices, or policies of CalPERS. While CalPERS tries to include only accurate, timely and complete information in its publications, summaries, guidelines and other advisory printed materials, sometimes information provided in printed materials may be or become inaccurate, untimely, incomplete, unclear or misleading. In all instances, the law then in effect, not this publication, controls the application of the Public Employees' Retirement Law. It is the reader's responsibility to independently verify the accuracy of the information contained in this publication before engaging in a course of action.

PAYROLL REPORTING ELEMENTS

All elements involved in a payroll entry are identified and explained in this part. The same elements are used for all payroll reporting methods in essentially the same way.

The chart *Payroll Reporting Element Relationships* in this section shows the relationship among the payroll reporting elements based on the type of contributions being reported.

CONTRIBUTION AMOUNT

“Contribution Amount” is the monetary amount of contributions to be posted to the member’s account for each payroll entry. Survivor contributions are reported as a separate element.

The element is a positive or negative numeric value up to six digits in length (e.g., \$1,350.00). For a description of how normal member contributions are calculated, see “Basic Contribution Calculation” (this section).

CONTRIBUTION CODE

“Contribution Code” is a 2-digit numeric code that identifies the type of contributions being reported. It is the key to each payroll transaction. Only the following codes in the chart below may be used.

Please note that only contribution codes 01, 11, 03, and 13 will generate service credit for the member.

CONTRIBUTION RATE

“Contribution Rate” is the percentage used to calculate the contribution amount (along with member earnings and a social security modification factor, if applicable). It is a 4-digit positive numeric value (e.g., report seven percent as 0700).

Contribution rate is found in the Annual Employer Statement. If an employer pays any portion of the member’s contributions, the total percentage due, not just the amount the member pays, should be used for this element.

CONTRIBUTION CODES		
After Tax+	Pre-Tax++	
01	11	Normal Current Contributions
02	12	Prior Period Contribution Adjustment
03	13	Prior Period Earnings Adjustment
04	14**	Contribution Receivable*
05	15	Retroactive Salary Adjustment
06	16	Special Compensation
07	—	Prior Period Survivor Contribution Adjustment
08***	—	Employee-Paid Additional Contributions
09***	—	Employer-Paid Additional Contributions
<p>+ The member pays their own contributions.</p> <p>++ The member pays their own contributions, but the employer has adopted the IRC 414(h)(2) resolution that is on file with CalPERS which allows the member contributions to be reported on a tax deferred basis; OR the employer pays the member contributions and the EPMC resolution is on file with CalPERS.</p> <p>* Do not withhold contributions until instructed by CalPERS.</p> <p>** Agency must file a resolution with CalPERS prior to reporting pre-tax contributions receivable. See page 84 in this manual for “Pre-tax payroll deduction plan for service credit purchase”.</p> <p>*** Must be established prior to July 1, 1983.</p>		

COVERAGE GROUP

“Coverage Group” is a 5-digit numeric code which is assigned by CalPERS to identify a specific group of employees within an agency. Coverage groups are uniquely assigned for each agency. Refer to the Annual Employer Statement for the coverage groups applicable to your agency. Only the coverage groups shown on the Annual Employer Statement or contract will be accepted on payroll reports to CalPERS.

MEMBER EARNINGS

“Member Earnings” is compensation earnable that a member is paid for services only during normal working hours. See “General Information for All Reporting Methods” in the “Compensation Review Procedures” section for description of compensation to be reported to CalPERS. The element is a positive (or negative) numeric value up to seven digits in length, e.g., \$10,500.00.

MEMBER NAME

“Member Name” identifies the member’s last name, initial of first name, and initial of middle name. The member’s last name must be at least two alpha characters in length and cannot exceed ten characters in length. Member’s first initial must be one alpha character in length. Member’s middle initial must be either one alpha character or blank. Member’s name should be arranged in alphabetical order within each unit on your payroll.

PAY CODE

“Pay Code” is a 2-digit numeric code that designates the wage base on which a member is paid. It must be one of the following:

01	Monthly Pay Rate
04	Hourly Pay Rate
08	Daily Pay Rate
09	Miscellaneous Pay Rate (for reporting special compensation only)

WORK SCHEDULE CODE

“Work Schedule Code” is a 3-digit numeric code, used in calculating both employer rate and the member’s retirement benefit. It identifies

what you, the employer, consider to be full-time employment for employees in the same work group, such as by department or duties, but not by individual employee. Approved work schedule codes range from 34 to 60 hours per week. A work schedule code that is below 34 hours, or above 60 hours, must be submitted by resolution to Payroll for CalPERS Board of Administration approval. The work schedule code typically will not vary from report to report. The work schedule code must be reported for all payroll entries using contribution codes 01, 11, 03 and 13.

WORK SCHEDULE CODE EXAMPLES

The monthly, hourly, or daily pay code used for the payroll entry determines how you translate full-time employment into the appropriate work schedule code.

Monthly — 01

Use the following formula to determine the work schedule code for a full-time monthly paid employee:

$$\frac{\# \text{ hours per week} \times 52 \text{ weeks per year}}{12 \text{ months per year}}$$

1. Your full-time 40 hours per week paid employees work an average of 173 hours per month

$$\frac{40 \text{ hours per week} \times 52 \text{ weeks per year}}{12 \text{ months per year}} = 173$$

2. Your full-time 35 hours per week paid employees work an average 152 hours per month

$$\frac{35 \text{ hours per week} \times 52 \text{ weeks per year}}{12 \text{ months per year}} = 152$$

NOTE:

When using monthly work schedule codes always round to the nearest whole number.

Hourly — 04

1. Your full-time hourly paid employees work an average of 40 hours per week = 400

2. Your full-time hourly paid employees work an average of 37.5 hours per week = 375

Daily — 08

1. Your full-time daily paid employees work an average of 5 days per week = 050

2. Your full-time daily paid employees work an average of 4.5 days per week = 045

NOTE:

A decimal point is implied between the second and third position of hourly and daily work schedule codes.

Miscellaneous — 09

Work schedule code is NEVER required.

The chart below shows the most common work schedule codes employers report to CalPERS.

Reporting Frequency	Pay Code	Time Worked	Work Schedule Code
Monthly	01	40 hours	173
		35 hours	152
Hourly	04	40 hours	400
		37.5 hours	375
		56 hours	560
Daily	08	5 days	050
		4.5 days	045

A complete list of work schedule codes for full-time employees is in Appendix A. Contact the CalPERS Customer Contact Center at **888 CalPERS** (or 888-225-7377) if you have questions about work schedule codes.

PART-TIME EMPLOYEES

A part-time employee's work schedule code is based on what is considered full-time employment for employees in the same work group.

For example, your part-time hourly paid employee works an average of 20 hours per week but may work more hours as needed. If employees in the same group are allowed to work up to 40 hours per week, then the work schedule code is 400 (not 200).

NOTE:

Council Members and City Attorneys would have the same work schedule code as the regular full-time employees within your agency even if their pay is based on the number of meetings they attend.

PAY RATE

"Pay Rate" is the normal monthly rate of pay or base pay of the member, paid in cash to similarly situated members of the same group or class of employment for services rendered on a full time basis during normal working hours. It can be an hourly, daily, or monthly rate.

Always use the member's FULL-TIME pay rate.

The pay rate must be a positive numeric value and cannot exceed eight digits in length (e.g., 99999.999). CalPERS requires that pay rates be reported with three places after the decimal. For example:

- An hourly rate of \$8.70 and one-half would be reported as 8.705.
- A daily rate of \$60.00 would be reported as 60.000.

For further information on reporting pay rates, see 'Pay Rate/Earnings Relationship' in this section.

SERVICE PERIOD

"Service Period" is a 5-digit numeric code that identifies the month, year, and type of payroll period for which the transaction is being reported.

- The first two digits of the service period identify the month in which the service period ends. The ending date is the last date of service for which compensation was earned, regardless of the date the actual salary payment was made.
 - a. Monthly report for April 2010 (service period ends in April) 04-10-0
 - b. Bi-weekly report for period September 18 through October 1, 2010 (last day of service period determines month of the report) 10-10-3
- The third and fourth digits identify the year in which the service period ends. Only the last two digits of the year are used.
 - a. Monthly report for December 2010 (service period ends in 2010) 12-10-0

- The fifth digit indicates the frequency of the payroll report and the chronological sequence within the month. All payroll reports to CalPERS must be submitted under one of the following types:

NUMBER OF PAYROLL			
Frequency	# of Payroll Periods/Year	Type Code	Description
Monthly	12	0	Monthly
Semi-monthly	24	1	First half of month (1st through 15th)
		2	Second half of the month (16th through the end of the month)
Bi-weekly	26	3	First report in the month (ending on the 1st through the 14th)
		4	Second report in the month (ending on the 15th through the 28th)
		5	Third report in the month (occurs whenever service period ending dates are 29, 30, or 31)
Quadri-weekly	13	6	First report in the month (ending on the 1st through the 28th)
		7	Second report in the month (occurs whenever the service period ending dates are 29, 30 or 31)

NOTE:

Changes in the frequency in which payroll reports are submitted must be approved by CalPERS in advance. If you have questions regarding changing payroll frequencies, contact the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

PAYROLL FREQUENCY / EMPLOYER PROFILE

To find out what payroll frequency CalPERS is showing for your agency and validate reporting dates, please select this link or copy and paste into your Internet browser:

<http://www.calpers.ca.gov/index.jsp?bc=/employer/admin-rptg/pyrl-contribs/home.xml>

For more information, please contact the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

SOCIAL SECURITY NUMBER

“Social Security Number” must be a positive numeric value nine digits in length. It must be present on all transactions because it is used as the major source of member identification. Verify the Social Security Number with the Social Security card or the **Member Action Request Form** (PERS-AESD-1). Social Security Numbers beginning with 8 or 9 are invalid and will not be accepted.

In the event the Social Security Number was reported incorrectly on the PERS-AESD-1 and correspondingly on the payroll reports, notify the Customer Service and Outreach Division. Include in the correspondence the incorrect number, the correct number, the member's name, and a copy of the member's Social Security card.

If membership was established with the correct number, but an incorrect number has been reported on the payroll reports for one or more service periods, begin using the correct number on the next payroll report.

Notify the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

SURVIVOR CONTRIBUTION

“Survivor Contribution” is the amount of contribution a member pays for the 1959 Survivor Benefit. Refer to the Annual Employer Statement to determine if the member has this benefit. Members covered by the 1959 Survivor Benefit contribute the following amounts based on the reporting frequency:

Reporting Frequency	Contribution Each Service Period	
	Index Level	All Other Levels
Monthly	\$2.90	\$2.00
Semi-Monthly	\$1.45	\$1.00
Bi-weekly	\$1.34	\$0.93
Quadri-weekly	\$2.68	\$1.86

When the member is covered, the survivor contribution should always be shown as a 3-digit numeric value. It may be positive or negative depending on the circumstances.

The 1959 Survivor Benefit provides for a survivor benefit upon death of the member before retirement. In most cases, a member does not have both 1959 Survivor Benefit coverage and Social Security coverage with a single employer. Contact the CalPERS Customer Contact Center if you have questions.

The full amount of survivor contribution is due for a service period even if only one day's earnings are reported. Make only one deduction each service period. The contribution is not due on retroactive salary adjustments or special compensation entries (Contribution Codes 05, 15, 06 or 16).

If a member does not receive any compensation for a service period because of an official leave of absence, no contribution is due for that service period.

Entries adjusting the survivor contributions should be included as part of the current entries or prior period earnings adjustment entries (Contribution Codes 01, 11, 03, and 13). If adjustments are more than \$9.99, additional adjustments may be made on a separate entry using Contribution Code 07.

The survivor contribution is not credited to the member's account and is not refundable.

UNIT CODE

“Unit Code” identifies a group or unit of employees within an employer. If used, it must be three numeric digits and must be reported consistently for a member. When a member transfers to a new unit code within an employer, begin reporting the new unit code on the next payroll report.

Unit codes can provide easier member identification and payroll balancing. A separate unit code for each of the following groups should be used:

1. Elected/Appointed Officials
2. Trial Court Employees (Unit Code 888)

Unit Code may also be used to distinguish employees as follows:

1. Coverage groups (when more than one is used)
2. Employees hired to work less than 40 hours per week (work schedule code should reflect this also)
3. Employees hired to work more than 40 hours per week (change work schedule code)
4. Employees with unusual/irregular duties

The Unit Code is optional for all employers except county schools. County schools must use the unit codes found in the Annual Employer Statement.

PAYROLL REPORTING ELEMENT RELATIONSHIPS

The following chart shows the relationship among the various elements used in a payroll entry. By referring to the Contribution Code column, you can identify which elements are required, which elements cannot be used, which are optional, and which are restricted to certain values.

Transaction Type	ELEMENT NAME													
	Contribution Code	Social Security Number	Member Name	Coverage Group	Service Period	Pay Code	Pay Rate	Member Earnings	Contribution Rate	Normal Member Contribution Amount	Survivor Contribution Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution Amount
Normal Current Contribution	01, 11				A	E				J	L	M	N	O
Prior Period Contrib. Adjustment	02, 12				B					J			N	O
Prior Period Earn. Adjustment	03, 13				C	E				J	L	M	N	O
Contribution Receivable	04, 14				D					J			N	O
Retroactive Salary Adjustment	05, 15				C	E	G			K			N	O
Special Compensation	06, 16				D	F	H	I		J			N	O
Prior Period Surv. Contrib. Adjustment	07				B						L		N	
Employee-paid Addl Contribution	08				A								N	
Employer-paid Addl Contribution	09				A								N	

- ☐ This element is mandatory.
- ☐ This element must be blank or zero.
- ☒ **A** Agencies reporting with diskette or magnetic tape must enter the current service period. Agencies reporting by pre-list must leave service period blank.
- ☒ **B** All agencies, regardless of reporting media, must enter a non-current service period.
- ☒ **C** All agencies, regardless of reporting media, must enter a non-current service period.
- ☒ **D** All agencies reporting with diskette or magnetic tape must enter either the current or a previous service period, depending on the circumstances. Agencies reporting by pre-list must leave service period blank if the entry pertains to the current service period, and must enter any non-current service periods.
- ☒ **E** Pay code is required but *cannot be* 09.
- ☒ **F** Pay code is required and *must be* 09.
- ☒ **G** Pay rate is required and it must be the *new* pay rate.
- ☒ **H** Pay rate is required and it must equal earnings.
- ☒ **I** Earnings are required and must equal pay rate.
- ☒ **J** This element is to be used for the portion of member contributions paid by the member that is not tax deferred.*
- ☒ **K** The general rule for reporting entries with contribution code 05 or 15 is that the earnings are not to be modified for Social Security coverage.
- ☒ **L** This element is to be used only by those employers which have the 1959 Survivor Benefit coverage contained in their contract.
- ☒ **M** This element is mandatory for all members when the pay code is 01, 04, or 08. When the pay code is 09, it cannot be reported.
- ☒ **N** This element is mandatory for all school employers and is optional for all other employers. When payroll unit codes are used by an employer, they must be used on each entry.
- ☒ **O** This element is to be used for the portion of member contributions paid by the employer, or for the contributions paid by the member which are tax deferred.

*Contribution amount (i.e., the total member contributions paid by the member and/or the employer) must be correct for the member's total earnings reported. This means that when a member has multiple entries for a particular service period, the earnings for all entries applicable to that service period must be added together before any modification factor is applied. For example, if an entry being made for this service period is adjusting an entry for a previous service period, 1) add earnings now being reported to earnings in the previous entry; 2) subtract the Social Security modification factor (if it applies); 3) multiply the result by the member's contribution rate; 4) report any amount of contributions due that were not reported in the previous entry in the appropriate normal member paid or tax deferred member column.

SELECTING AND REPORTING CONTRIBUTION CODES

The contribution code is the key to identifying which payroll reporting elements are necessary for a payroll entry. This section provides definitions and examples of each contribution code to enable you to determine which contribution code to use and how to make the payroll entry for that code.

Contribution codes with “0” as the first digit designate member normal (after tax) contributions. Codes with “1” as the first digit designate tax deferred (pre-tax) contributions paid by the member or employer.

CONTRIBUTION CODES 01 AND 11 — NORMAL CURRENT CONTRIBUTIONS

Contributions paid by the member or employer on their normal regular earnings, for the current service period.

Example 1: John A. Williams earns \$2000.00 per month and pays his own tax deferred member contributions. Report his normal regular monthly earnings as follows:

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution	
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount
000-00-0000	Williams	J	A	70001	07	10	0	01	2,000.000	2,000.00	0.0700	00	.00	0	173	000	11	140.00

If a person receives a salary increase or decrease during the current service period, both pay rates must be reported. This will require two line entries, reporting the proper amount earned under each pay rate.

Example 2: John receives a pay increase of \$200.00 effective in the middle of the next monthly service period. To ensure full crediting of service, report this mid-service period pay raise using two entries as follows:

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution	
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount
000-00-0000	Williams	J	A	70001	07	10	0	01	2,000.000	1,000.00	0.0700	00	.00	0	173	000	11	70.00
000-00-0000	Williams	J	A	70001	07	10	0	01	2,200.000	1,100.00	0.0700	00	.00	0	173	000	11	77.00

CONTRIBUTION CODES 02 AND 12 — PRIOR PERIOD CONTRIBUTION ADJUSTMENT

An adjustment is necessary to correct an error on a member's contribution amount when either an incorrect rate was applied or an error in calculation was made.

A single contribution code 02 or 12 entry can be used to correct contribution errors for more than one service period by entering the earliest service period being adjusted. Should CalPERS discover the error; the employer will be requested to make the adjustment on the next payroll report. Should the employer discover the error, the adjustment should be made on the next payroll report without waiting for notification from CalPERS.

There are two ways to use contribution code 02 or 12.

Example 1: To report contributions incorrectly calculated:

Karen M. Wong's contributions for the second semi-monthly June 2010 service period were calculated incorrectly; an overpayment of \$9.50 was made. Karen pays all of the tax deferred member contributions. Correct this overpayment as follows:

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution	
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount
000-00-0000	Wong	K	M	70001	06	10	2	00	.000	.00		00	.00	0	000	000	12	-9.50

Example 2: Contributions reported in the wrong field (Normal (After Tax) or Tax Deferred Member Contributions (TDMC))

An adjustment is necessary to correct member contributions previously reported in error as normal (after tax) member contributions or as tax deferred contributions. Should the employer discover the error, use the following examples to correct the member account. A single entry (not to exceed \$9,999.99) using contribution codes 02 and 12 can be used to correct contributions reported in the wrong field for more than one service period.

James T. Sullivan's contributions were tax deferred beginning with the 07/2009/3 bi-weekly pay period. However, they were reported as member normal (after tax) contributions totaling \$1,860.00. The employer did not discover the error until the 07/2010/3 payroll was being prepared. Correct the 07/2009/3 through 06/2010/4 service periods as follows:

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution	
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount
000-00-0000	Sullivan	J	T	70001	07	09	3	00	.000	.00		02	-1860.00	0	000	000	12	1860.00

Selecting and Reporting Contribution Codes

The same entry would be used to correct prior period contributions reported in error as tax deferred when they were actually normal (after tax) member contributions from the 07/2009/3 through 06/2010/4 bi-weekly service periods for Edith R. Johnson, as shown in the example below.

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution	
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount
000-00-0000	Johnson	E	R	70001	07	09	3	00	.000	.00		02	1,680.00	0	000	000	12	-1,680.00

CONTRIBUTION CODES 03 AND 13 — PRIOR PERIOD EARNINGS ADJUSTMENT

Member earnings reported in arrears and adjustments to correct pay rates and/or earnings previously reported in error, or to report an entry with a different service period type (i.e., monthly paid elected officials on a bi-weekly report).

When contribution code 03 or 13 is used to report corrections for more than one service period, you must use a separate entry for each service period so that CalPERS can properly credit service to a member's account.

A non-current service period must be entered for every code 03 or 13 transaction.

There are three ways to use contribution code 03 or 13.

Example 1: To report earnings in arrears, i.e., when a member was erroneously omitted from a previous payroll report. Enter the transaction as it should have read, using the correct previous service period and contribution code 03 or 13.

Barry Myers began working June 1, 2010, but was not included on the June 2010 monthly payroll report. Barry's employer pays his entire tax deferred member contributions. Report his earnings as follows:

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution	
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount
000-00-0000	Myers	B	P	70001	06	10	0	04	15.000	2,600.00	0.0700	00	.00	0	400	000	13	182.00

Example 2: To correct pay rate and earnings or Coverage Group or an entire entry that was previously reported in error.

Enter the original transaction including the original service period, but use contribution codes 03 or 13 and report member earnings, contribution amount and survivor contribution as negative amounts. This removes the incorrect entry. Now enter the correct transaction, again using the original service period and contribution code 03 or 13. If a non-member was reported in error, reverse out the original entry and stop there.

Maria R. Santos was reported incorrectly for the first bi-weekly January 2010 service period as a miscellaneous member (coverage group code 70001). She became a police officer on January 1, 2010 (coverage group code 75001). Member contributions are paid by the member for miscellaneous service but paid by the employer for police officers. Correct this error as follows:

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution	
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount
000-00-0000	Santos	M	R	70001	01	10	3	01	3,000.000	-1384.62	0.0700	03	-96.92	-0.93	173	100	00	.00
000-00-0000	Santos	M	R	75001	01	10	3	01	3,000.000	1,384.62	0.0900	00	.00	0.93	173	200	13	124.62

Example 3: To increase or decrease the amount of earnings previously reported.

This method is used to correct earnings and contribution amount. (If the pay rate, service period and/or coverage group code needs to be corrected, use method in example 2.) Make an entry which includes the original service period, coverage group code, and pay rate; report the difference in earnings and contributions using contribution code 03 or 13. Multiply earnings by contribution rate to get the correct contribution amount.

Janice Brown was reported with earnings of \$1,250.00 for the first semi-monthly January 2010 service period. In February it was discovered that she was docked and her earnings for this January service period should have been \$1,000.00. Janice's employer pays half of her member contributions. The original payroll entry was:

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution	
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount
000-00-0000	Brown	J		70001	01	10	1	01	2,500.000	1,250.00	0.0700	01	43.75	0	173	100	11	43.75

The correcting contribution codes 03 and 13 entry on the February payroll should be:

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution	
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount
000-00-0000	Brown	J		70001	01	10	1	01	2,500.000	-250.00	0.0700	03	-8.75	0	173	100	13	-8.75

Or, the entire incorrectly reported entry may be reversed and reported correctly as follows:

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution	
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount
000-00-0000	Brown	J		70001	01	10	1	01	2,500.000	-1,250.00	0.0700	03	-43.75	0	173	100	13	-43.75
000-00-0000	Brown	J		70001	01	10	1	01	2,500.000	1,000.00	0.0700	03	35.00	0	173	100	13	35.00

CONTRIBUTION CODES 04 AND 14 — CONTRIBUTION RECEIVABLE

Contributions a member makes for redepositing contributions previously withdrawn, contributions for purchasing service credit, or other special instances where a receivable is necessary.

A contribution code 04 or 14 entry may ONLY be used after CalPERS has established the receivable and has sent the employer an **Authorization for Contribution and/or Rate Adjustment Form** (PERS-MEM-823A). The PERS-MEM-823A will identify:

- A) the member
- B) the date the deduction should begin
- C) the amount of the deduction
- D) the total number of payments required

The code 14 (tax deferred) entry may only be used after the employer has filed a resolution with CalPERS and the member has elected the plan.

Members may have more than one receivable deduction at any given time. Each MUST be reported as a separate transaction.

Selecting and Reporting Contribution Codes

The receivable will be included on the **Payroll Listing and Summary Report** (PERS-AESD-626). Code 04 will be included in the “member normal contributions” field and Code 14 in the “tax deferred contributions” field.

Report the receivable only in the exact amount authorized by the PERS-MEM-823A. Never combine a receivable with any other type of contribution. If it becomes necessary to report a receivable retroactively, enter the applicable service period and make a separate entry for each period. Be sure to report the receivable using the coverage group code specified on the PERS-MEM-823A.

Begin the deduction on the date shown on the PERS-MEM-823A, and continue to take deductions without interruption until all of the payments have been made. Failure to do this could result in additional cost to the member.

Example: Celia B. Williams elects to redeposit previously withdrawn CalPERS contributions. The employer has received the PERS-MEM-823A form from CalPERS authorizing a \$152.71 bi-weekly after tax payment. Report the receivable as follows:

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution	
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount
000-00-0000	Williams	C	B	70001	07	10	3	00	.000	.00		04	152.71	0	000	000	00	.00

Example: Michael W. Rogers elects to purchase Service Prior to Membership and Military Service Credit. His employer has received two PERS-MEM-823A forms from CalPERS authorizing an \$89.56 semi-monthly tax deferred payment for the Service Prior to Membership and a \$162.58 semi-monthly tax deferred payment for the Military Service Credit. Contribution Receivables should never be combined and must be reported with separate payroll entries as follows:

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution	
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount
000-00-0000	Rogers	M	W	70001	07	10	1	00	.000	.00		00	.00	0	000	000	14	89.56
000-00-0000	Rogers	M	W	70001	07	10	1	00	.000	.00		00	.00	0	000	000	14	162.58

CONTRIBUTION CODES 05 AND 15 — RETROACTIVE SALARY ADJUSTMENT

An entry for reporting contributions based on earnings received because of a retroactive salary adjustment.

A single contribution code 05 or 15 entry may be used to report a retroactive salary adjustment covering previous service periods. The service period should reflect the earliest service period involved in the adjustment. The transaction should have the member's new pay rate and the total additional earnings and contributions for the period; i.e., report the difference in earnings and contributions. When more than one pay rate is involved in the retroactive adjustment, report a single entry for each new pay rate.

No social security modification factor should be applied to retroactive salary adjustments.

Example: Richard Benson received a retroactive salary increase effective January 1, 2010. His old pay rate was \$2,200.00 monthly; his new pay rate is \$2,400.00 monthly. The current monthly service period is July 2010. Richard Benson's employer pays his entire member contributions. Report this retroactive increase with a single entry as follows:

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution	
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount
000-00-0000	Benson	R	T	70001	01	10	0	01	2400.000	1,200.00	0.0700	00	.00	0	173	000	15	84.00

CONTRIBUTION CODES 06 AND 16 — SPECIAL COMPENSATION

NOTE: The corresponding pay code "09" must be used with contribution code 06 or 16.

Contributions for special compensation items, such as additional pay for hazardous duty, bonuses, or incentives. Special compensation must be defined in CCR 571(a) and meet the criteria of CCR 571(b).

Example: Glenda Adams received a \$100.00 uniform allowance for the 07/2010/4 service period. Glenda pays her own tax deferred member contributions. Pay rate is always equal to earnings when reporting special compensation. Report the entry as follows:

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution	
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount
000-00-0000	Adams	G	S	75001	07	10	4	09	100.000	100.00	0.0900	00	.00	0	000	000	16	9.00

CONTRIBUTION CODE 07 — PRIOR PERIOD SURVIVOR CONTRIBUTION ADJUSTMENT

An adjustment necessary to correct an error in the Survivor Contribution for a member. Current Survivor Contributions should be reported with the regular line entry.

A single contribution code 07 entry may be used to correct multiple reporting errors by accumulating the Survivor Contribution amount for each service period into one total amount (not to exceed \$9.99) and entering the earliest service period being adjusted. If adjustments are more than \$9.99, additional adjustments may be made on a separate entry.

Example: Bradley L. Jones' Survivor Contributions were not reported for the May and June 2010 monthly service periods. The monthly survivor contribution amount is \$2.00. Report the contributions for both service periods as follows:

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution	
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount
000-00-0000	Jones	B	L	75001	05	10	0	00	.000	.00		07	.00	4.00	000	000	00	.00

CONTRIBUTION CODE 08* — EMPLOYEE PAID ADDITIONAL CONTRIBUTIONS

Only applies to members who have had this payment made continuously prior to July 1, 1983. It does not apply to receivables, retroactive pay increases, adjustments in contributions or special compensation.

Additional contributions are paid voluntarily by the member. No additional service is credited. These contributions cannot be tax deferred.

To make additional contributions to CalPERS, a member must have obtained authorization from CalPERS via the MEM-13 form.

Example: Laura Jensen contributes an additional \$50.00 to CalPERS each month. Report these additional contributions as follows:

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution	
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount
000-00-0000	Jensen	L	E		07	10	0	00	.000	.00		08	50.00	0	000	000	00	.00

CONTRIBUTION CODE 09* — EMPLOYER PAID ADDITIONAL CONTRIBUTIONS

Only applies to members who have had this payment made continuously prior to July 1, 1983. It does not apply to receivables, retroactive pay increases, adjustments in contributions or special compensation.

Additional contributions are paid into the member's account by the employer. No additional service is credited.

To make additional contributions to CalPERS, the employer must have received authorization from CalPERS via a resolution.

Example: Larry Singer's employer pays additional contributions in the amount of \$30.00 per month for each employee. Report the employer paid additional contributions for Larry Singer as follows:

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution	
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount
000-00-0000	Singer	L	P		07	10	0	00	.000	.00		09	30.00	0	000	000	00	.00

*Accounts for additional contributions, either member or employer paid, are no longer available to members unless the account was established prior to July 1, 1983. After that date, members and employers who make contributions into "additional" accounts may not change the contribution amount in any way. The only option available to them is to stop making additional contributions altogether.

CONTRIBUTION REPORTING PROCEDURES

EMPLOYER PAID MEMBER CONTRIBUTIONS (EPMC) CONVERTED TO BASE SALARY IN FINAL COMPENSATION PERIOD (LAST 12 OR 36 MONTHS OF EMPLOYMENT)

Example: Christine Perez earns \$2,000 per month and the employer pays the tax deferred member contributions at seven percent of salary (EPMC) for the entire group or class of employees until their final compensation period. The employer has amended their contract with CalPERS so that the EPMC is converted to salary and tax deferred member contributions are paid by all employees in a group or class in their final compensation period (G.C. section 20692). The following example is how Christine's payroll is reported prior to her final compensation period (the employer pays the tax deferred member contributions on her behalf):

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution	
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount
000-00-0000	Perez	C	A	70001	06	10	0	01	2,000.000	2,000.00	0.0700	00	.00	0	173	000	11	140.00

Christine has informed her employer that she will be retiring. The EPMC is converted to salary and she now pays her own tax deferred member contributions during the final compensation period as shown below:

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution	
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount
000-00-0000	Perez	C	A	70001	07	10	0	01	2,140.000	2,140.00	0.0700	00	.00	0	173	000	11	149.80

PAYING AND REPORTING THE VALUE OF EMPLOYER PAID MEMBER CONTRIBUTIONS (EPMC) AS SPECIAL COMPENSATION

Example: James Lee earns \$2,000.00 per month and the employer pays the tax deferred member contributions at seven percent of salary (EPMC) for the entire group or class of employees. The employer has agreed to report the value of the EPMC as special compensation for the entire group and has adopted a formal resolution to this effect and submitted it to CalPERS (G.C. section 20636(c)(4)). It is reported as an additional special compensation payroll entry as follows:

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution	
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount
000-00-0000	Lee	J	R	70001	07	10	0	01	2,000.000	2,000.00	0.0700	00	.00	0	173	000	11	140.00
000-00-0000	Lee	J	R	70001	07	10	0	09	140.000	140.00	0.0700	00	.00	0	000	000	16	9.80

TAX DEFERRED CONTRIBUTIONS

Tax deferred contributions paid by the employee ("Employer Pick-up" under IRC Section 414(h)(2)).

Example: Anita Jones earns \$2,000 per bi-weekly service period and pays her own contributions at seven percent of salary. The entire group or class has elected to have their member contributions tax deferred and have adopted the IRC Section 414(h)(2) resolution ("Employer Pick-up" of contributions).

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution	
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount
000-00-0000	Jones	A	B	70001	07	10	3	04	25.000	2,000.00	0.0700	00	.00	0	400	000	11	140.00

Tax deferred contributions paid by the employer (Employer Paid Member Contributions (EPMC)).

Example: Kevin Martinez earns \$2,000 per monthly service period and the employer pays the tax deferred member contributions at seven percent of salary (EPMC) for the entire group or class of employees (G.C. section 20691).

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution	
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount
000-00-0000	Martinez	K	D	70001	07	10	0	01	2,000.000	2,000.00	0.0700	00	.00	0	173	000	11	140.00

SCHOOLS PAYROLL REPORTING

AB 2177 (Chapter 1030, Statutes of 2000), effective January 1, 2001, eliminated the Social Security offset for retirement contributions for school members who are coordinated with Social Security.

GOVERNMENT CODE SECTIONS 21354.1(B) AND 20677

This example shows both a monthly and an hourly employee with the modification of Social Security.

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution	
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount
000-00-0000	Williams	J	A	60002	12	00	0	01	2,000.000	2,000.00	0.0700	00	.00	0	173	099	11	130.67
000-00-0000	Adams	C	R	60002	12	00	0	04	12.000	2,080.00	0.0700	00	.00	0	400	099	11	136.27

GOVERNMENT CODE SECTION 20677(2)

This example shows the same employees without the modification for Social Security.

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution	
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount
000-00-0000	Williams	J	A	60004	01	01	0	01	2,000.000	2,000.00	0.0700	00	.00	0	173	099	11	140.00
000-00-0000	Adams	C	R	60004	01	01	0	04	12.000	2,080.00	0.0700	00	.00	0	400	099	11	145.60

BASIC CONTRIBUTION CALCULATION

This section defines the basic method of calculating member normal contributions. It does not apply to receivables or additional contributions. The method of calculating the member's normal contributions varies depending upon the member's contribution rate, provisions of the employer contract and whether or not the member has Social Security coverage. However, the following basic instructions apply to all members:

1. Locate in the Annual Employer Statement the coverage group that applies to the member.
2. Check the Annual Employer Statement, section D "Retirement coverage — contribution rate" under the proper coverage group. One of the following will be found:
 - a. (percentage rate) "ALL EARNINGS"
 - b. (percentage rate) "MODIFIED EARNINGS"
 - c. "VRBL"

NOTE: If the Member Contribution rate indicates 0%, report a zero contribution amount and stop here.

3. If (a) applies, multiply the member earnings reported by the percentage rate indicated in "Retirement coverage — contribution rate".

If (b) applies, modify the member total earnings each service period (regular earnings using the OASDI Modification Chart below). Multiply the modified earnings by the percentage rate indicated in "Retirement coverage — contribution rate."

If (c) applies, the member earnings may or may not need to be modified. Check the Annual Employer Statement for the formula. Modify the total earnings each service period (regular earnings and special compensation) by the modification factor if found on the Annual Employer Statement.

Next, multiply the modified or unmodified earnings by the contribution rate. This rate is based upon the employee's nearest age at entry into safety service covered by this retirement formula. Verify the employee's age on the Member Action Request form, to determine the rate.

NOTE: Employees working in two or more units will have a Social Security modification factor applied only once for the total normal earnings in the service period.

OASDI MODIFICATION CHART			
Reporting frequency	If earnings are less than	If earnings are more than or equal to	Miscellaneous members and safety members reported under modified formulas
MONTHLY	\$400.00	XXXXX	EARNINGS X 0.66667 X RATE
	XXXXX	\$400.00	EARNINGS MINUS \$133.33 X RATE
SEMI-MONTHLY	\$200.00	XXXXX	EARNINGS X 0.66667 X RATE
	XXXXX	\$200.00	EARNINGS MINUS \$66.67 X RATE
BI-WEEKLY	\$184.00	XXXXX	EARNINGS X 0.66667 X RATE
	XXXXX	\$184.00	EARNINGS MINUS \$61.00 X RATE
QUADRI-WEEKLY	\$369.00	XXXXX	EARNINGS X 0.66667 X RATE
	XXXXX	\$369.00	EARNINGS MINUS \$123.00 X RATE

NOTE: CSUC Auxiliary Organizations that contract for the same contribution rate and modification factors as State Miscellaneous members will calculate contributions according to the formula applicable (G.C. section 20680). The Annual Employer Statement will indicate this option. It also provides the modification table to be used.

NOTE: Do not apply the full OASDI modification factor more than once per pay period. If total earnings (regular pay rate and special compensation) are less than earnings on the OASDI modification chart, all earnings will be modified by 0.66667 to calculate member contributions.

CONTRIBUTION REPORTING PROCEDURES

MONTHLY REPORTING FREQUENCY

“M” (Modified) Apply the following OASDI earnings modification factors:

Total Earnings (less than \$400.00) x 0.66667 x Member Contribution Rate = Member Contributions

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution	
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount
000-00-0000	Carter	D	E	70001	07	10	0	04	15.000	350.00	0.0700	00	.00	0	400	000	11	16.33
000-00-0000	Carter	D	E	70001	07	10	0	09	25.000	25.00	0.0700	00	.00	0	000	000	16	1.17

NOTE:

Do not apply the full OASDI modification factor more than once per service period. If total earnings (regular pay rate and special compensation) are less than earnings on the OASDI modification chart, all earnings will be modified by 0.66667 to calculate member contributions.

SEMI-MONTHLY REPORTING FREQUENCY

“F” (Full) or “S” (Supplemental)

Earnings x Member Contribution Rate = Member Contributions

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution	
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount
000-00-0000	Adams	B	C	70001	07	10	1	01	2,000.000	1,000.00	0.0700	00	.00	0	173	000	11	70.00

“F” (Full) and 1959 Survivor Contribution \$1.00 (if applicable, see PAYROLL REPORTING ELEMENTS; Survivor Contribution)

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution	
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount
000-00-0000	Adams	B	C	70001	07	10	1	01	2,000.000	1,000.00	0.0700	00	.00	1.00	173	000	11	70.00

“M” (Modified) Apply the following OASDI earnings modification factors:

Total Earnings (\$200.00 and over) - \$66.67 x Member Contribution Rate = Member Contributions

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution	
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount
000-00-0000	Baker	C	D	70001	07	10	1	04	11.540	992.44	0.0700	00	.00	0	400	000	11	64.80
000-00-0000	Baker	C	D	70001	07	10	1	09	100.000	100.00	0.0700	00	.00	0	000	000	16	7.00

“M” (Modified) Apply the following OASDI earnings modification factors:

Total Earnings (less than \$200.00) x 0.66667 x Member Contribution Rate = Member Contributions

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution	
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount
000-00-0000	Carter	D	E	70001	07	10	1	04	15.000	165.00	0.0700	00	.00	0	400	000	11	7.70
000-00-0000	Carter	D	E	70001	07	10	1	09	25.000	25.00	0.0700	00	.00	0	000	000	16	1.17

NOTE:

Do not apply the full OASDI modification factor more than once per service period. If total earnings (regular pay rate and special compensation) are less than earnings on the OASDI modification chart, all earnings will be modified by 0.66667 to calculate member contributions.

BI-WEEKLY REPORTING FREQUENCY

“F” (Full) or “S” (Supplemental) Earnings x Member Contribution Rate = Member Contributions

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution	
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount
000-00-0000	Adams	B	C	70001	07	10	3	01	2,000.000	923.08	0.0700	00	.00	0	173	000	11	64.62

“F” (Full) and 1959 Survivor Contribution \$0.93 (if applicable, see *Payroll Reporting Elements*; Survivor Contribution)

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution	
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount
000-00-0000	Adams	B	C	70001	07	10	3	01	2,000.000	923.08	0.0700	00	.00	0.93	173	000	11	64.62

“M” (Modified) Apply the following OASDI earnings modification factors:

Total Earnings (\$184.00 and over) - \$61.00 x Member Contribution Rate = Member Contributions

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution	
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount
000-00-0000	Baker	C	D	70001	07	10	3	04	11.540	923.20	0.0700	00	.00	0	400	000	11	60.35
000-00-0000	Baker	C	D	70001	07	10	3	09	100.000	100.00	0.0700	00	.00	0	000	000	16	7.00

“M” (Modified) Apply the following OASDI earnings modification factors:

Total Earnings (\$183.99 and less) x 0.66667 x Member Contribution Rate = Member Contributions

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution	
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount
000-00-0000	Carter	D	E	70001	07	10	3	04	15.000	165.00	0.0700	00	.00	0	400	000	11	7.70
000-00-0000	Carter	D	E	70001	07	10	3	09	10.000	10.00	0.0700	00	.00	0	000	000	16	1.17

NOTE:

Do not apply the full OASDI modification factor more than once per service period. If total earnings (regular pay rate and special compensation) are less than earnings on the OASDI modification chart, all earnings will be modified by 0.66667 to calculate member contributions.

QUADRI-WEEKLY REPORTING FREQUENCY

“F” (Full) or “S” (Supplemental)

Earnings x Member Contribution Rate = Member Contributions

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution	
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount
000-00-0000	Adams	B	C	70001	07	10	6	01	2,000.000	1,846.15	0.0700	00	.00	0	173	000	11	129.23

“F” (Full) and 1959 Survivor Contribution \$1.86 (if applicable, see PAYROLL REPORTING ELEMENTS; Survivor Contribution)

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution	
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount
000-00-0000	Adams	B	C	70001	07	10	6	01	2,000.000	1,846.15	0.0700	00	.00	1.86	173	000	11	129.23

“M” (Modified) Apply the following OASDI earnings modification factors:

Total Earnings (\$369.00 and over) - \$123.00 x Member Contribution Rate = Member Contributions

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution	
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount
000-00-0000	Baker	C	D	70001	07	10	6	04	11.540	1,846.40	0.0700	00	.00	0	400	000	11	120.64
000-00-0000	Baker	C	D	70001	07	10	6	09	200.000	200.00	0.0700	00	.00	0	000	000	16	14.00

“M” (Modified) Apply the following OASDI earnings modification factors:

Total Earnings (less than \$369.00) x 0.66667 x Member Contribution Rate = Member Contributions

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution	
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount
000-00-0000	Carter	D	E	70001	07	10	6	04	15.000	330.00	0.0700	00	.00	0	400	000	11	15.40
000-00-0000	Carter	D	E	70001	07	10	6	09	25.000	25.00	0.0700	00	.00	0	000	000	16	1.17

NOTE:

Do not apply the full OASDI modification factor more than once per service period. If total earnings (regular pay rate and special compensation) are less than earnings on the OASDI modification chart, all earnings will be modified by 0.66667 to calculate member contributions.

Employees working in two or more units will have a Social Security modification factor applied only once for the total normal earnings in the service period.

PAY RATE/EARNINGS RELATIONSHIP

Pay rate is the amount of compensation a member is paid for a unit of time (i.e., hour, day or month). The pay rate should remain stable throughout a fiscal year except for pay raises, demotions, or changes of position. If a member works in more than one position or has a raise in the middle of a pay period, report amounts earned under each pay rate separately.

An hourly pay rate is that rate of compensation to which an employee is entitled under an employment agreement which provides for compensation for each hour of regular time worked by the employee.

A daily pay rate for both a full-time and a part-time employee is that amount of compensation to which a full-time employee is entitled when the employee's services are performed under an employment agreement which provides for a daily rate of compensation.

A monthly pay rate for both a full-time and a part-time employee is that amount of compensation to which a full-time employee is entitled, when the employee's services are performed under an employment agreement which provides for a monthly rate of compensation.

CalPERS considers full-time employment to range from 34 to 60 hours per week. Employers generally have the ability to determine what constitutes full-time for an employee provided that the employee works between 34 and 60 hours per week. However, G.C. section 20636.1 specifies that for all non-certificated school members full-time is 40 hours per week. This means that all hours up to 40 per week must be reported to CalPERS for non-certificated school members at the straight time rate.

IMPACT ON FINAL BENEFITS

Reporting correct pay rates for your active members is essential in calculating correct member benefits at retirement. The three critical elements used in calculating retirement benefits are:

1. service credit
2. final compensation
3. age at retirement

Service credit and final compensation are directly related to the pay rate and earnings reported for the member. Service credit is derived from the pay rate and earnings reported. It is based on the way a member is paid.

EARNINGS DIVIDED BY PAY RATE EQUALS SERVICE CREDIT					
Example:	1. <u>Member Earnings</u> Monthly Pay Rate	=	\$1,200.00 \$1,200.000	=	1.000 month of service credit
	2. <u>Member Earnings</u> Monthly Pay Rate	=	\$ 600.00 \$1,200.000	=	0.500 month of service credit
	3. <u>Member Earnings</u> Hourly Pay Rate	=	\$ 600.00 \$ 7.500	=	80 hours of service credit
	4. <u>Member Earnings</u> Daily Pay Rate	=	\$ 600.00 \$ 30.000	=	20 days of service credit

A member in full-time employment will be credited with one year of service for any of the following:

- a. 10 months for those paid on a monthly basis;
- b. 215 days for those paid on a daily basis; or
- c. 1,720 hours for those paid on an hourly basis.

Partial credit will be given for those working less than the full amount of a, b, or c. Service credited in hours, days or months is converted to a percentage of a year at the end of each fiscal year. Service credit for each fiscal year is combined to arrive at total service credit.

Final compensation is the average monthly full-time pay rate and special compensation reported for the three consecutive years of employment immediately preceding the last day

on the payroll, unless the member designates another three year period in which the pay rate was higher. Some agencies contract with CalPERS for a one year average instead of the three year average.

FULL-TIME SERVICE CREDIT

Service credit is one of the three critical elements that are used to calculate a member's retirement allowance. CalPERS limits the amount of service credit a member can earn to 1.000 year per fiscal year (July 1 – June 30). Under G.C. section 20962, a member will be credited with 1.000 year of CalPERS service credit if they work either 10 months, 1720 hours, or 215 days within a fiscal year. If a member works less than 10 months, 1720 hours or 215 days within any given fiscal year then they will earn less than 1.000 of service credit in accordance with G.C. section 20966. The following examples demonstrate how service credit is calculated for a monthly, hourly and daily reported employee:

G.C. SECTION 20962 - EXPLAINS WHAT CONSTITUTES 1 YEAR OF SERVICE CREDIT

1. Daily Employee = 215 days to earn 1 year of service credit
2. Hourly Employee = 1,720 hours to earn 1 year of service credit
3. Monthly Employee = 10.000 months to earn 1 year of service credit

G.C. SECTION 20966 - PARTIAL SERVICE CREDIT CALCULATIONS

The partial service credit calculations below are illustrative examples of the ratio used to calculate service credit for part-time employees.

1. Daily: Employee works 185 days during the fiscal year
 - $185 \text{ days} \div 215 \text{ days} = 0.860 \text{ years of service credit}$
2. Hourly: Employee works 1295 hours during the fiscal year
 - $1295 \text{ hours} \div 1720 \text{ hours} = 0.753 \text{ years of service credit}$
3. Monthly: Employee works 7.200 months during the fiscal year
 - $7.200 \text{ months} \div 10.000 \text{ months} = 0.720 \text{ years of service credit}$

FULL-TIME SERVICE CREDIT PAYROLL REPORTING EXAMPLES

NOTE: These examples are based upon a 40-hour work week.

ALWAYS USE THE FULL-TIME PAY RATE. THE PAY RATE SHOULD NOT CHANGE EXCEPT WHEN A PAY RAISE, DEMOTION, OR CHANGE IN POSITION OCCURS.

MONTHLY SERVICE CREDIT (EARNINGS ÷ PAY RATE = SERVICE CREDIT)

<u>Pay Rate</u>	<u>Maximum Creditable Service</u>
Monthly	= 1.000 month
Hourly	= 184 hours
Daily	= 23 days

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution		
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount	
000-00-0000	Adams	B	C	70001	07	10	0	01	2,000.000	2,000.00	0.0700	00	.00	0	173	000	11	140.00=	1.000 month
000-00-0000	Baker	C	D	70001	07	10	0	04	11.540	2,123.36	0.0700	00	.00	0	400	000	11	148.64=	184 hours
000-00-0000	Carter	D	E	70001	07	10	0	08	92.320	2,123.36	0.0700	00	.00	0	050	000	11	148.64=	23 days

If a pay increase occurs in the same pay period, use separate payroll entries to reflect earnings based upon each pay rate.

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution		
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount	
000-00-0000	Baker	C	D	70001	07	10	1	04	11.540	1,015.52	0.0700	00	.00	0	400	000	11	71.09 =	88 hours
000-00-0000	Baker	C	D	70001	07	10	1	04	12.500	1,200.00	0.0700	00	.00	0	400	000	11	84.00 =	96 hours
																			184 hours

SEMI-MONTHLY SERVICE CREDIT (EARNINGS ÷ PAY RATE = SERVICE CREDIT)

<u>Pay Rate</u>	<u>Maximum Creditable Service</u>
Monthly	= 0.500 month
Hourly	= 96 hours
Daily	= 12 days

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution		
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount	
000-00-0000	Adams	B	C	70001	07	10	1	01	2,000.000	1,000.00	0.0700	00	.00	0	173	000	11	70.00=	0.500 month
000-00-0000	Baker	C	D	70001	07	10	1	04	11.540	1,107.84	0.0700	00	.00	0	400	000	11	77.55=	96 hours
000-00-0000	Carter	D	E	70001	07	10	1	08	92.320	1,107.84	0.0700	00	.00	0	050	000	11	77.55=	12 days

If a pay increase occurs in the same pay period, use separate payroll entries to reflect earnings based upon each pay rate.

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution		
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount	
000-00-0000	Baker	C	D	70001	07	10	0	04	11.540	646.24	0.0700	00	.00	0	400	000	11	45.24=	56 hours
000-00-0000	Baker	C	D	70001	07	10	0	04	12.500	500.00	0.0700	00	.00	0	400	000	11	35.00=	40 hours

96 hours

BI-WEEKLY SERVICE CREDIT (EARNINGS ÷ PAY RATE = SERVICE CREDIT)

<u>Pay Rate</u>	<u>Maximum Creditable Service</u>
Monthly	= 0.462 month
Hourly	= 80 hours
Daily	= 10 days

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution		
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount	
000-00-0000	Adams	B	C	70001	07	10	3	01	2,000.000	923.20	0.0700	00	.00	0	173	000	11	64.62=	0.462 month
000-00-0000	Baker	C	D	70001	07	10	3	04	11.540	923.20	0.0700	00	.00	0	400	000	11	64.62=	80 hours
000-00-0000	Carter	D	E	70001	07	10	3	08	92.320	923.20	0.0700	00	.00	0	050	000	11	64.62=	10 days

If a pay increase occurs in the same pay period, use separate payroll entries to reflect earnings based upon each pay rate.

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution		
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount	
000-00-0000	Baker	C	D	70001	07	10	3	04	11.540	553.92	0.0700	00	.00	0	400	000	11	38.77=	48 hours
000-00-0000	Baker	C	D	70001	07	10	3	04	12.500	400.00	0.0700	00	.00	0	400	000	11	28.00=	32 hours
																			80 hours

QUADRI-WEEKLY SERVICE CREDIT (EARNINGS ÷ PAY RATE = SERVICE CREDIT)

<u>Pay Rate</u>	<u>Maximum Creditable Service</u>
Monthly	= 0.923 month
Hourly	= 160 hours
Daily	= 20 days

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution		
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount	
000-00-0000	Adams	B	C	70001	07	10	6	01	2,000.000	1,846.40	0.0700	00	.00	0	173	000	11	129.25=	0.923 month
000-00-0000	Baker	C	D	70001	07	10	6	04	11.540	1,846.40	0.0700	00	.00	0	400	000	11	129.25=	160 hours
000-00-0000	Carter	D	E	70001	07	10	6	08	92.320	1,846.40	0.0700	00	.00	0	050	000	11	129.25=	20 days

If a pay increase occurs in the same pay period, use separate payroll entries to reflect earnings based upon each pay rate.

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution		
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount	
000-00-0000	Baker	C	D	70001	07	10	6	04	11.540	1,384.80	0.0700	00	.00	0	400	000	11	96.94=	120 hours
000-00-0000	Baker	C	D	70001	07	10	6	04	12.500	500.00	0.0700	00	.00	0	400	000	11	35.00=	40 hours

160 hours

FULL-TIME SERVICE CREDIT — ELECTED/APPOINTED OFFICIALS

Elected/appointed officials who elect to be covered by CalPERS must receive full-time service credit during their term of office. Compensation, not reimbursement of expenses, is required to be reported. Since the official is required to receive full-time service credit, the pay rate and earnings are required to be reported. Samples of the various reporting periods and how to report them follow this section. If the official receives a monthly amount of compensation but the reporting frequency is other than monthly, use the following guidelines to report the individual on your payroll:

1. list the person on only one report each month;
2. use contribution code 03 or 13;
3. use the service period type "0" for that entry;
4. report compensation earned for the month as both pay rate and earnings (pay rate will be the same as the earnings); or
5. submit a separate monthly payroll report for elected officials.

**FULL-TIME SERVICE CREDIT — ELECTED/APPOINTED OFFICIAL
COMPENSATED MONTHLY – REPORTED ON A MONTHLY REPORT**

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution	
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount
000-00-0000	Evans	F	G	70001	07	10	0	01	300.000	300.00	0.0700	00	.00	0	173	000	11	21.00

NOTE: 12 entries per year are reported even though the agency's pay period may be bi-weekly or semi-monthly.

**FULL-TIME SERVICE CREDIT — ELECTED/APPOINTED OFFICIAL
COMPENSATED MONTHLY BUT REPORTED ON A SERVICE PERIOD OTHER THAN MONTHLY,
(e.g. SEMI-MONTHLY, BI-WEEKLY, QUADRI-WEEKLY)**

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution	
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount
000-00-0000	Evans	F	G	70001	07	10	0	01	300.000	300.00	0.0700	00	.00	0	173	000	13	21.00

FULL-TIME SERVICE CREDIT — ELECTED/APPOINTED OFFICIAL
COMPENSATED BI-WEEKLY – REPORTED ON A BI-WEEKLY REPORT

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution	
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount
000-00-0000	Evans	F	G	70001	07	10	3	01	300.000	138.45	0.0700	00	.00	0	173	000	11	9.69

FULL-TIME SERVICE CREDIT — ELECTED/APPOINTED OFFICIAL
COMPENSATED SEMI-MONTHLY – REPORTED ON A SEMI-MONTHLY REPORT

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution	
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount
000-00-0000	Evans	F	G	70001	07	10	1	01	300.000	150.00	0.0700	00	.00	0	173	000	11	10.50

FULL-TIME SERVICE CREDIT — ELECTED/APPOINTED OFFICIAL
COMPENSATED QUADRI-WEEKLY – REPORTED ON A QUADRI-WEEKLY REPORT

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution	
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount
000-00-0000	Evans	F	G	70001	07	10	6	01	300.000	276.92	0.0700	00	.00	0	173	000	11	19.38

REPORTING EQUAL PAYMENTS

In accordance with G.C. sections 20633 and 20630 employers shall identify the pay period in which the compensation was earned by the employee regardless of when it is reported or paid.

Some employers make equal salary payments to their employees throughout the year. Employers may report equal payments during the member's appointment period provided the member works the entire month. However, if a member works only a partial month during their appointment, then the member's earnings should only reflect the actual time worked rather than a full month. Salary withheld during the year to pay members during the time they are off should be reported as earned. In order to comply with G.C. section 20630, equal payments cannot be reported outside the appointment period during a time when the member does not render service.

SCHOOL MEMBER PAY RATES

Report school members to CalPERS using the actual rate of pay at which they are hired (i.e., hourly, daily, or monthly). Do not convert an hourly or daily pay rate to a monthly equivalent, as this could result in incorrect final benefits for the member. If a contract employee is working outside the timeframe of the contract (e.g., summer session), use the salary schedule for the position worked. Do not use the hourly rate for the contract.

REDUCED WORKTIME PROGRAM FOR CLASSIFIED/CERTIFICATED SCHOOL MEMBERS

Certain classified and certificated school district members may enter into a reduced work time program without loss of retirement credit, if the governing board of a school district or community college district elects to establish regulations to implement such a program (Education Code sections 44922, 45139, 87483, 88038, 89516 and G.C. sections 20900 and 20905).

The minimum requirements for such a program are:

1. Eligible employees must be at least 55 years old;
2. The employee must have 10 years full-time classified service and the immediately preceding five years must be without a break;
3. Transfer to reduced work time is optional to the employee and termination requires employee and employer consent;
4. Salary shall be a pro-rata share of the active salary and no benefit entitlements shall be lost, including health, survivor benefits, disability benefits and retirement;
5. The minimum part-time employment level must be 50% of the employee's previous full-time employment; and
6. The part-time program shall not exceed five years nor extend beyond the end of the school year during which the employee reaches age 70.

The employer, not CalPERS, is required to verify the eligibility of the employee and to maintain the necessary records to identify the employees involved in the program.

No notice is required to be sent to CalPERS. The employer should report employees under the reduced worktime program as if they had worked full time (i.e. report the pay rate and earnings the employee would receive if she/he works full-time). The employee will also pay member contributions based on the full-time earnings reported. This will result in full service credit and benefits based on full salary levels. The employer and member contributions on the full-time pay will automatically pay for the cost of the program.

PROPER REPORTING OF OVERTIME PAY RATES FOR SCHOOL MEMBERS

California Public Employees' Retirement System (CalPERS) G.C. section 20636.1 requires all services rendered up to 40 hours per week be reported for non-certificated school members. G.C. section 20635.1 indicates that overtime compensation is excluded from reporting. Schools commonly have employees who have a regular work week that is less than 40 hours per week, these employees may or may not be paid at a straight-time, hourly rate for those hours.

For any services rendered in excess of their regular work week, they receive an overtime rate of pay. In order to comply with G.C. section 20636.1, schools must report this employee to CalPERS for the hours worked over their normal work week, up to 40 hours per week. Even though the member is being paid an overtime rate, any hours worked between the regular work week and 40 hours per week are required to be reported to CalPERS at the straight time hourly rate that corresponds with the salary schedule for that classification. All earnings for services rendered in excess of 40 hours per week should not be reported to CalPERS. Overtime rates should not be reported to CalPERS for non-certificated school employees in accordance with Government Code 20635.1.

Examples of proper and improper reporting follow. These examples are for an employee being paid \$15 per hour for hours up to 35 hours per week (35 hours x 4 weeks = 140 hours). The employee is being paid \$22.50 per hour for hours from 36 to 40 per week (5 hours x 4 weeks = 20 hours). The \$22.50 per hour pay rate should not be reported to CalPERS.

All pay rates and earnings should reflect the straight time rate of \$15 per hour. In the correct example below, reporting to CalPERS may be consolidated on one line reflecting a \$15 hourly pay rate and total earnings of \$2,400.

Incorrect data is shaded below:

<i>Month</i>	<i>Pay Rate</i>	<i>Member Earnings</i>
Correct		
Sept (Reg hrs)	\$15.00	\$2,100.00
Sept (OT hrs)	\$15.00	\$300.00
Incorrect		
Sept (Reg hrs)	\$15.00	\$2,100.00
Sept (OT hrs)	\$22.50	\$450.00
Incorrect		
Sept (Reg hrs)	\$15.00	\$2,100.00
Sept (OT hrs)	\$15.00	\$450.00
Incorrect		
Sept (Reg hrs)	\$15.00	\$2,100.00
Sept (OT hrs)	\$22.50	\$300.00

For more information, call the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

FURLOUGH REPORTING

Public Agencies & Schools

The employer will need to report the full pay rate and the reduced earnings resulting from the furlough days. The member may see a reduction in service credit depending on the amount of furloughs.

If a member is reported less than 10 full months, 215 days or 1720 hours in a fiscal year, the service credit will be less than one year. A member would begin to see less than a full year of service if they are working less than 144 hours per month or 34 hours per week.

Service Purchase Option

There is no provision in the Public Employees' Retirement Law which allows members to purchase furlough time.

AB 1651 (Chapter 574, Statutes of 2010)

Implementation of AB 1651 does not change the manner in which an employer reports payroll to CalPERS. Employers should continue to report the member's normal pay rate and the furlough reduced earnings to the System. Due to the variety and complexity of the furlough plans being administered among employers, CalPERS has determined that the most efficient approach to implement this legislation is through an annual adjustment process, in which CalPERS will request employers furnish furlough information.

Circular Letter 200-005-11 has more detailed information about AB 1651, and can be found on the CalPERS website at the following link: <http://www.calpers.ca.gov/eip-docs/employer/circulars/2011/200-005-11.pdf>

For more information, call the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

REPORTING "PREMIUM PAY" UNDER THE FAIR LABOR STANDARDS ACT (FLSA)

The FLSA determines at what point premium pay must be paid to employees. However, "premium pay" time under the FLSA is not the same as overtime as defined by the Retirement Law. California G.C. section 20635 defines overtime for retirement purposes as "...the aggregate service performed by an employee...in excess of the hours of work considered normal for employees in the same group or class of employment on a full-time basis....".

For reporting to CalPERS, keep in mind you need to report all compensation that is paid for normal full-time service. When reporting "premium pay" (as defined by FLSA) care must be taken not to disturb the pay rate/earnings relationship so the member will receive the correct service credit.

If the member is being reported with a monthly pay rate, the member should continue to be reported with the regular monthly pay rate and earnings. The additional earnings the member receives (the "premium pay") should be reported as special compensation.

The following example is based on a firefighter whose normal full-time work schedule is 56 hours per week. FLSA states that premium pay must be paid on all hours worked above 53 hours per week up to what is considered normal for employees on a full-time basis. In this example, compensation would be reported at "straight time" for the entire 112 hours in the bi-weekly pay period (56 hours per week) on the normal payroll entry, and FLSA premium pay (3 hours of "half-time" pay) based on the 6 hours in the bi-weekly pay period (3 hours per week) would be reported in a second entry as special compensation. Any work performed above 56 hours per week would be considered overtime and would not be reported to CalPERS.

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution	
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount
000-00-0000	Diaz	M	E	74001	07	10	3	01	3,000.000	1,938.72	0.0900	00	.00	0	243	000	11	174.48
000-00-0000	Diaz	M	E	74001	07	10	3	09	51.930	51.93	0.0900	00	.00	0	000	000	16	4.67

If the member is being reported with an hourly pay rate, the member should continue to be reported with the regular hourly pay rate for all hours worked and the corresponding earnings in one entry and the additional earnings (the "premium pay") in another entry as special compensation.

SSN	Member Name			Coverage Group	Service Period			Pay Code	Pay Rate	Member Earnings	Member Paid Contribution			Survivor Contrib. Amount	Work Schedule Code	Unit Code	Tax Deferred Member Contribution	
	Last Name	F	M		Mo	Year	Type				Rate	Code	Amount				Code	Amount
000-00-0000	Diaz	M	E	74001	07	10	3	04	17.310	1,938.72	0.0900	00	.00	0	560	000	11	174.48
000-00-0000	Diaz	M	E	74001	07	10	3	09	51.930	51.93	0.0900	00	.00	0	000	000	16	4.67

PAYROLL REPORTING METHODS

This section describes the five basic methods of reporting payroll to CalPERS—pre-list, CalPERS Payroll reporting system, diskette, ACES and magnetic tape—and explains how to complete the various forms involved in the reporting process.

CHANGING REPORTING METHOD

Should you wish to change your reporting method, provide written notice for approval to the Payroll Processing Unit at least 30 days prior to the change. Study the method and specifications carefully to be sure that your organization can comply with the standards.

When your agency converts to the personal computer diskette method, or magnetic tape reporting method, parallel reports are required until you are notified that the computer generated reports are correct and compatible with CalPERS equipment. The first report using the new method should have a note enclosed indicating “first run.”

Frequency of reporting to CalPERS should always coincide with your payroll periods. If you wish to change your frequency, please provide written notice to the Payroll Processing Unit at least 30 days prior to the change.

SUBMITTING MULTIPLE REPORTS

Should you wish to begin submitting multiple payrolls for the same service period (same employer code and service period type code), or if you wish to increase the number of multiple payrolls to be submitted each period, contact the Payroll Processing Unit prior to sending the first reports. CalPERS will assign a 3-digit office code to each report. Office codes must be used on all subsequent payrolls so that CalPERS may separately identify them each service period.

CHANGING REPORTS TO INCLUDE EMPLOYER PAID MEMBER CONTRIBUTIONS OR TAX DEFERRED MEMBER CONTRIBUTIONS

Effective July 1983, it became mandatory for agencies who pay any portion of member contributions under G.C. section 20691 to designate those contributions separately on CalPERS reports. This way of reporting is also to be used by those employers who implement a program of deferring taxes on employee contributions to CalPERS under IRC 414(h)(2).

Agencies who report via pre-list method will see two columns on the **Payroll Listing Form** (PERS-AESD-625A) to be used for this purpose. Agencies who report via computerized methods will see the fields in the record formats and columns on the hardcopy payroll listing to be used for this purpose.

NOTE: The Automated Communication Exchanges System (ACES) is a highly secure online system that provides employers the ability to exchange membership, health, and payroll information with CalPERS on a transactional basis. Visit ACES on the CalPERS Web site at www.calpers.ca.gov.

PAYROLL REPORTING SYSTEM — PERSONAL COMPUTER METHOD + ACES

CALPERS PAYROLL REPORTING SYSTEM

The CalPERS Payroll Reporting System is a software package developed by CalPERS designed to replace the pre-list reporting method. The same restrictions apply concerning what data must be given and what must be left blank for the different contribution codes. The only difference is that you will now be entering the data on your PC instead of paper, allowing certain error checks to be done at the time the data is entered. Information on installing this system on your PC is available from the CalPERS Web site at **www.calpers.ca.gov** or contact the CalPERS Customer Contact Center at **888 CalPERS** (or 888-225-7377).

PAYROLL— ACES

The Automated Communication Exchange System—ACES—is an online system that provides employers the ability to exchange membership, health and payroll information with CalPERS on a transactional basis. ACES is free to all CalPERS business partners and can be accessed from an ordinary personal computer through a highly secure Internet web browser.

With Internet File Transfer, employers can transmit payroll files securely from their internal payroll system to CalPERS for processing. This functionality allows employers to leverage their existing systems to exchange information with CalPERS. There is no training required. A payroll representative can walk you through this process.

If your agency currently uses the CalPERS Payroll Reporting System, you can start transmitting your payroll through ACES almost immediately. We just need a completed **Employer User Security Agreement** (PERS-AESD-43) to set up the account administrator for your agency. A copy of the PERS-AESD-43 can be found on the following page or can be downloaded online at **www.calpers.ca.gov**.

Some of the advantages of transmitting payroll via ACES include:

- Payroll data is received and processed faster. Prior to ACES, employers gathered payroll information and sent it to CalPERS on diskettes or tapes for processing; CalPERS staff then processed the data manually. The process could take weeks. With ACES it now takes minutes.
- Simple edits to validate payroll format saves time. ACES performs a simple validation before it accepts payroll data to ensure that the required header, detail, and footer records are included. If any of these record types are missing, ACES provides online notification to the employer so they can correct the data immediately. This reduces time-consuming interaction between CalPERS and employers to correct invalid formats.
- Corruption of payroll media is minimized. The handling and processing of corrupt tapes, diskettes, and cartridges will be minimized with ACES since the system does not rely on external media to transmit data. ACES is able to detect corrupted files.
- Submitting payroll data via secure electronic connections reduces costs. Data delivery is streamlined through the use of secure electronic connections. Both CalPERS and employers save labor and postal costs related to the handling and loading of payroll data.

NOTE:

To sign up for ACES or to find out more about Payroll File Transfer, please visit the CalPERS Web site at **www.calpers.ca.gov** or contact the CalPERS Customer Contact Center at **888 CalPERS** (or 888-225-7377).

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM EMPLOYER USER SECURITY AGREEMENT

(TO BE COMPLETED BY EMPLOYER AND EMPLOYEE) (PLEASE COMPLETE ONLINE OR PRINT LEGIBLY)

EMPLOYEE		EMPLOYER
Employee Name :		Employer Name:
Employee Social Security Number:	Date of Birth:	Employer Code (CalPERS):
Employee Business Phone:	Employee Business Fax:	Employer Mailing Address:
Employee Business E-mail Address:		Employer Physical Address: (if different than mailing)
<p><i>Please check all that apply:</i> <input type="checkbox"/> Account Administrator <input type="checkbox"/> Internet Forms: Health <input type="checkbox"/> Internet Forms: Membership</p> <p> <input type="checkbox"/> Public Agency Billing <input type="checkbox"/> Annual Member Statement Employer Report <input type="checkbox"/> Service Credit Purchase Status</p> <p> <input type="checkbox"/> Participant Inquiry <input type="checkbox"/> Payroll File Transfer <input type="checkbox"/> Annual Employer Statement</p>		

By signing this document, the employee referenced above acknowledges reading, understanding, and agreeing to its contents and realizes the consequences of not complying with the terms stated below.

ACES User responsibilities:

- Passwords must be kept confidential. Reasonable precaution must be maintained including but not limited to:
 - Not sharing or allowing others access to your password for any reason
 - Securing the terminal with a password or locking device when logged onto ACES, when leaving the workstation
 - Immediately reporting any suspicious circumstances or unauthorized individuals observed in the work area to a supervisor
- Access and/or transmit information only relevant and necessary in the ordinary course of performing job official duties
- CalPERS record information shall only be disclosed to individuals when relevant and necessary when performing official duties. Unauthorized disclosures include, but are not limited to:
 - Disclosing social security number of another person when not part of job responsibilities
- CalPERS record information shall not be transmitted or used for personal reasons, including but not limited to:
 - Making personal inquiries of friends or relatives; accessing information about another person, including locating their residence address, for any reason that is not related to job responsibilities

ACES Administrators' responsibilities:

- Maintain all California Public Employees' Retirement System Employer User Security Agreement forms (AESD-43) and *Delete "ACES User Access"* forms (AESD-42) in a secured location
- Ensure Security Agreements are fully completed and signed by a manager or supervisor prior to processing or faxing to CalPERS. Completed forms may be faxed to 916-795-1523.
- Immediately fill out, electronically submit, and maintain a copy of the *Delete "ACES User Access"* form (AESD-42) for all ACES users who no longer have ACES access for two years
- Direct staff that:
 - Passwords must be kept confidential at all times and not be shared for any reason
 - Computer terminals must be secured with a password or locking device when unattended and logged into ACES
 - Suspicious circumstances and unauthorized individuals should be reported immediately to a manager or supervisor

I have read and understand the security policies stated above. I acknowledge and agree to utilize all CalPERS systems in accordance with the terms outlined in the California Public Employees' Retirement Law and CalPERS business practices, policies, and procedures. Failure to comply with these policies may result in revocation of my access to ACES, adverse action, and/or civil or criminal liability under applicable laws. I further understand that I can undergo disciplinary action from my employer up to and including termination of employment.

I certify under penalty of perjury, under the laws of the State of California, that the information provided above is true and correct.

The California Public Employees' Retirement System (CalPERS) collects personal information to administer the various programs, accessed through the Automated Communications Exchange System (ACES), for which it has responsibility. Employers may NOT share information with any other entity without the express written approval of CalPERS. The information contained in CalPERS records is confidential, and CalPERS is required by law to protect such information from unauthorized access, use, and disclosure.

Employee Signature:	Date:
Employer Signature: (Manager/Supervisor)	Date:

This form must be completed for each employee using CalPERS online access and be available to CalPERS upon request. Forms must be **RETAINED IN A SECURE WORK SITE LOCATION** of the Employer, for the life of the Agreement and for two years following the deactivation or termination of the Agreement. CalPERS is to be notified immediately in the event that any of its sensitive or confidential information is subjected to unauthorized disclosure, modification or destruction. Completed forms may be faxed to 916-795-1523.

PERS-AESD-43 (03/07)

PAYROLL REPORTING SYSTEM — DISKETTE/MAGNETIC TAPE METHODS

If you are not using ACES to transmit your payroll file to CalPERS, you can submit your file on the following media: 3.5" diskette, 3490/3590 cartridge tape, or CD-ROM. While ACES is free of charge and requires no media to be used, employers using other methods must submit their own media each service period with payroll data written in the prescribed format. Due to identity theft concerns and the occurrence of errors in reused media, diskettes and CD-ROMs will be confidentially destructed and recycled, and not returned to the employer. Cartridge tapes will be returned within 120 days after processing.

NOTE:

To ensure the readability of data on diskettes, please follow proper diskette handling instructions, including use of the recommended protective shipping carton. Diskettes that are damaged or unreadable will need to be resubmitted.

A hard copy list (printed payroll listing) of the diskette, CD-ROM, or tape is also required to be submitted. This list should reflect the same data that is reported on your media. When last minute changes to the payroll report must be made that cannot be included on the media, they are to be shown on a **Supplemental Payroll Reporting Form** (PERS-AESD-624), not on the hard copy payroll listing. The **Supplemental Payroll Reporting Form** can be found can be downloaded from the CalPERS Web site at www.calpers.ca.gov.

NOTE:

If using the CalPERS Payroll Reporting System, be sure to select the A: drive before saving your payroll information, as the program automatically defaults to the C: drive. Please note that when creating a back-up diskette, you need to use the back-up program instead of the "Create a CalPERS Diskette" program. These are two completely different formats.

Your media, hard copy listing, and Supplemental Forms are combined with a **Summary Report** (PERS-AESD-626) and remittance, and mailed to:

CalPERS

P.O. Box 1982
Sacramento, CA 95812-1982

If your media is packaged and mailed separately from the remittance, please use the following address:

CalPERS

Attn: Customer Service and Outreach Division
P.O. Box 942709
Sacramento, CA 94229-2709

Reminder: A completed payroll report consists of all of the following elements:

- **Summary Report** (PERS-AESD-626)
- ACES file, Diskette, CD-ROM, or Tape
- Hard copy payroll listing
- **Supplemental Payroll Reporting Form** (PERS-AESD-624) (when necessary)
- Remittance made payable to CalPERS

DATA PROCESSING SPECIFICATIONS — DISKETTE/CD-ROM/TAPE

- Media must be in ASCII format.
- Files must be named "PERSFILE.TXT".
- Record length must be 96 characters, with a carriage return and line feed at the end of each record.
- A control record is required at the beginning of the detail and at the end.
- The record formats are shown in this section of the manual, along with the print layout for the payroll listing.

If you use the protective envelope for external labeling, be sure the permanent label on the diskette has identification (i.e., employer code).

DATA PROCESSING SPECIFICATIONS — DISKETTE/CD-ROM

The external label should appear as follows:

EXTERNAL LABEL			
EMPLOYER CODE	A	OFFICE CODE	B
SERVICE PERIOD	C		
RECORD COUNT	D		
PREPARED BY	E		

ITEM	BLOCK TITLE	INSTRUCTIONS
A	Employer Code	Enter the 4-digit employer code that CalPERS has assigned to your agency. If reporting multiple agencies on one media, enter each employer code.
B	Office Code	Enter the 3-digit office code only if your agency submits multiple payrolls (same employer code) for the same service period (same service period type code). The office code is assigned by CalPERS to differentiate these multiple reports.
C	Service Period (MMYYT)	Enter the 5-digit service period for which the media is being submitted: 2-digit month, 2-digit year (last 2 digits of year), and 1-digit type code. Example: Bi-weekly report, service period ends August 1, 2008, enter "08083."
D	Record Count	Enter the total count of records on the media. This count should equal the total record count on your final control record (trailer record). This count enables CalPERS to verify that all records have been read.
E	Prepared By	Enter the initials of the person responsible for external labeling.

DATA PROCESSING SPECIFICATIONS — TAPE

The specifications for tape submissions are as follows:

- Submit 3490 or 3480 Cartridge Tape.
- EBCDIC must be the recording mode.
- Record length must be 96 characters.
- Block size is 10 records per block. Other block sizes are acceptable, provided the block size information is on file with CalPERS. (CalPERS will not attempt to process tapes with unknown block sizes).
- The tape should contain no internal label.
- A control record is required at the beginning of the contribution detail and at the end.
- If the final control record does not fill the block, complete the block with records containing all 'nines' (9).
- A terminating tape mark (TM) is required as the final item on the tape.
- The record formats for the tape are shown in this section of the manual, along with the print layout for the payroll listing.

EXTERNAL TAPE LABEL

An external tape label is required so that CalPERS can identify and properly process your agency's magnetic tape. The external label should appear as follows:

EXTERNAL TAPE LABEL

EMPLOYER CODE AOFFICE CODE BDEN C BLOCK SIZE DRECORD COUNT ESERVICE PERIOD FCREATION DATE G PREPARED BY HCOMMENTS I

ITEM	Block	TITLE
A	Employer Code	Enter the 4-digit employer code that CalPERS has assigned to your agency.
B	Office Code	Enter a 3-digit office code only if your agency submits multiple payrolls (same employer code) for the same service period (same service period type code). The office code is assigned by CalPERS to differentiate these multiple reports.
C	Density	Enter the appropriate density.
D	Block Size	Block size is 10 records per block. Enter "10". Exceptions to 10 records per block are only acceptable after written approval from CalPERS. (CalPERS will not attempt to process tapes with unknown block sizes).
E	Record Count	Enter the total count of records on the tape. This count should equal the total record count on your final control record (trailer record). This count enables CalPERS to verify that all records have been read.
F	Service Period (MMYYT)	Enter the 5-digit service period for which the tape is being submitted: 2-digit month, 2-digit year (last 2 digits of year), and 1-digit type code. Example: Bi-weekly report, service period ends August 1, 2008; enter "08083".
G	Creation Date (MMDDY)	Enter the date the tape was created: 2-digit month, 2-digit day, last digit of the year. Example: Tape was created on August 6, 2008: enter "08068".
H	Prepared By	Enter the initials of the person responsible for external labeling.
I	Comments	Left blank for your use.

DATA PROCESSING SPECIFICATIONS—DISKETTE/CD-ROM/TAPE

All monetary fields except pay rate may be reported as negative values. The values for minus zero through nine in the right-most (low-order) position of the negative field are shown in the table below:

NEGATIVE VALUES FOR DISKETTE/CD ROM/TAPE

VALUE	EBCDIC CHARACTER	DISKETTE/CD-ROM/TAPE	
		BINARY	HEX
—0	}	1101 0000	D0
—1	J	1101 0001	D1
—2	K	1101 0010	D2
—3	L	1101 0011	D3
—4	M	1101 0100	D4
—5	N	1101 0101	D5
—6	O	1101 0110	D6
—7	P	1101 0111	D7
—8	Q	1101 1000	D8
—9	R	1101 1001	D9

All monetary fields in the report must be zero-filled. For example, to report member earnings (positions 50–56) of \$1,250.00, position 50 must contain a zero to fill the entire field:

0	1	2	5	0	0	0
50	51	52	53	54	55	56

Monetary fields are:

Field	Two Digit Year Service Period	Four Digit Year Service Period
	Position	Position
Pay Rate	42–49.....	44–51
Member Earnings	50–56.....	52–58
Member Normal Contribution Amount	57–62.....	59–64
Survivor Contribution.....	69–71.....	71–73
Tax Deferred Member Contribution	75–80.....	77–82

REPORTING ADDRESSES BY MAGNETIC TAPE FOR ANNUAL STATEMENTS

Agencies with electronic data processing equipment with a tape installation can have their members' Annual Statements addressed with individual member addresses by sending an address tape to the System. In order to have the addresses printed on statements, the address tape should reach the System prior to August 1. The tape label should state that it is an address tape.

Mail the tape to: **CalPERS**, Information Processing Unit, P.O. Box 942704, Sacramento, CA 94229-2704

Address Record				
1	-	9	Social Security Number	
10	-	13	Employer Code	
14	-	19	Employee Number	
20	-	31	Name (optional)	
32	-	61	Address—line 1	
62	-	91	Address—line 2	
92	-	121	Address—line 3	
122	-	150	Address—line 4	
151	-	152	152nd position of record must be blank	

Address records must be blocked twenty (20) records per block (3,040 characters). The last block of address records may be less than twenty (20) records, or the balance of the block must be padded with 9's. The last address block should be followed by an inter-record gap, followed by a tape mark.

NOTE: This tape must not have a tape header or a tape trailer label. Tape density should be 6250 BPI.

PAYROLL REPORTING SYSTEM — DISKETTE/MAGNETIC TAPE METHODS TWO DIGIT SERVICE PERIOD YEAR

RECORD FORMATS	FIRST CONTROL RECORD (Header)					
	Position	Field Size	Field Name	Alpha Numeric	Cobol Picture	Constant Value
	1	1	Record I.D.	N	9	"0"
	2-5	4	Employer Code	N	9(4)	
	6-8	3	Unit Code	N	9(3)	
	9-17	9	Filler	N	9(9)	All Zeros
	*18-19	2	Service Period Month	N	99	
	*20-21	2	Service Period Year	N	99	
	*22	1	Service Period Type Code	N	9	
	23-34	12	Identifier	AN	X(12)	"CONT. PAYROLL"
	35-39	5	Creation Date (MMDDYY)	N	9(5)	
	40-42	3	Office Code	N	9(3)	
	**43	1	Special Indicator	N	9	
	44-96	53	Unused	AN	X(53)	All Spaces

	RECORD DESCRIPTION					
	Position	Field Size	Field Name	Alpha Numeric	Cobol Picture	Constant Value
	1	1	Record I.D.	N	9	"1"
	2-5	4	Employer Code	N	9(4)	
	6-8	3	Unit Code	N	9(3)	
	9-17	9	Social Security Number	N	9(9)	
	18-19	2	Service Period Month	N	99	
	20-21	2	Service Period Year	N	99	
	22	1	Service Period Type Code	N	9	
	23-32	10	Last Name	AN	X(10)	
	33	1	First Initial	AN	X	
	34	1	Middle Initial	AN	X	
	35-39	5	Coverage Group	N	9(5)	
	40-41	2	Pay Code	N	99	
	42-49	8	Pay Rate	N	S9(5)V999	

	50–56	7	Member Earnings	N	S9(5)V99	
	57–62	6	Member Normal	N	S9(4)V99	
	63–64	2	Member Normal	N	99	
			Contribution Code			
	65–68	4	Contribution Rate	N	V9999	
	69–71	3	Survivor Contribution	N	S9V99	
	72–74	3	Work Schedule Code	N	9(3)	
	75–80	6	Tax Deferred Member	N	S9(4)V99	
			Contribution Amount			
	81–82	2	Tax Deferred Member	N	99	
			Contribution Code			
	83–96	14	Unused			

* Service period on first control record must be the current period being reported.

** Special indicator is used to indicate “this payroll is a special payroll” constant value = 0 for normal payroll or 1 for special payroll.

	Position	Field Size	LAST CONTROL RECORD (Trailer)			
			Field Name	Alpha Numeric	Cobol Picture	Constant Value
	1	1	Record I.D.	N	9	“9”
	2–5	4	Employer Code	N	9(4)	
	6–8	3	Unit Code	N	9(3)	
	9–17	9	Filler	N	9(9)	All Nines
	*18–19	2	Service Period Month	N	99	
	*20–21	2	Service Period Year	N	99	
	*22	1	Service Period Type Code	N	9	
	23–34	12	Filler	AN	X(12)	“TRAIL RECORD”
	35–39	5	Total Record Count	N	9(5)	†
	40–96	57	Unused	AN	X(57)	All Spaces

* Service period on last control record must be the current period being reported.

† Total Count of Contribution Detail Records.

PAYROLL REPORTING SYSTEM — DISKETTE/MAGNETIC TAPE METHODS FOUR DIGIT SERVICE PERIOD YEAR

RECORD FORMATS	FIRST CONTROL RECORD (Header)					
	Position	Field Size	Field Name	Alpha Numeric	Cobol Picture	Constant Value
	1	1	Record I.D.	N	9	"0"
	2-5	4	Employer Code	N	9(4)	
	6-8	3	Unit Code	N	9(3)	
	9-17	9	Filler	N	9(9)	All Zeros
	*18-19	2	Service Period Month	N	99	
	*20-23	4	Service Period Year	N	99	
	*24	1	Service Period Type Code	N	9	
	25-36	12	Identifier	AN	X(12)	"CONT. PAYROLL"
	37-41	5	Creation Date (MMDDYY)	N	9(5)	
	42-44	3	Office Code	N	9(3)	
	**45	1	Special Indicator	N	9	
	46-96	51	Unused	AN	X(53)	All Spaces

	RECORD DESCRIPTION					
	Position	Field Size	Field Name	Alpha Numeric	Cobol Picture	Constant Value
	1	1	Record I.D.	N	9	"1"
	2-5	4	Employer Code	N	9(4)	
	6-8	3	Unit Code	N	9(3)	
	9-17	9	Social Security Number	N	9(9)	
	18-19	2	Service Period Month	N	99	
	20-23	4	Service Period Year	N	99	
	24	1	Service Period Type Code	N	9	
	25-34	10	Last Name	AN	X(10)	
	35	1	First Initial	AN	X	
	36	1	Middle Initial	AN	X	
	37-41	5	Coverage Group	N	9(5)	
	42-43	2	Pay Code	N	99	
	44-51	8	Pay Rate	N	S9(5)V999	
	52-58	7	Member Earnings	N	S9(5)V99	

	Position	Field Size	Field Name	Alpha Numeric	Cobol Picture	Constant Value
	59–64	6	Member Normal Contribution Amount	N	S9(4)V99	
	65–66	2	Member Normal Contribution Code	N	99	
	67–70	4	Contribution Rate	N	V9999	
	71–73	3	Survivor Contribution	N	S9V99	
	74–76	3	Work Schedule Code	N	9(3)	
	77–82	6	Tax Deferred Member Contribution Amount	N	S9(4)V99	
	83–84	2	Tax Deferred Member Contribution Code	N	99	
	85–96	12	Unused			

* Service period on first control record must be the current period being reported.

** Special indicator is used to indicate “this payroll is a special payroll” constant value = 0 for normal payroll or 1 for special payroll.

	Position	Field Size	LAST CONTROL RECORD (Trailer)			
	Position	Field Size	Field Name	Alpha Numeric	Cobol Picture	Constant Value
	1	1	Record I.D.	N	9	“9”
	2–5	4	Employer Code	N	9(4)	
	6–8	3	Unit Code	N	9(3)	
	9–17	9	Filler	N	9(9)	All Nines
	*18–19	2	Service Period Month	N	99	
	*20–23	4	Service Period Year	N	99	
	*24	1	Service Period Type Code	N	9	
	25–36	12	Filler	AN	X(12)	“TRAIL RECORD”
	37–41	5	Total Record Count	N	9(5)	†
	42–96	57	Unused	AN	X(57)	All Spaces

* Service period on last control record must be the current period being reported.

† Total Count of Contribution Detail Records.

PRE-LIST (PERS-AESD-625A)

The pre-list method is a manual method of reporting payroll to CalPERS for employers who do not have access to a personal computer. With this method, CalPERS stores the latest payroll transactions received from an employer and prepares a detailed list of the information on a **Payroll Listing Form** (PERS-AESD-625A). This pre-list is mailed to the employer for use in preparing the payroll for the next service period.

The components of the pre-list method are:

1. **Payroll Listing Form**—PERS-AESD-625A (pre-list).
2. **Summary Report, Member and Employer Contributions**—PERS-AESD-626.
3. Remittance payable to CalPERS.

The updated pre-list (PERS-AESD-625A), **Summary Report** (PERS-AESD-626) and the remittance are mailed to:

CalPERS
P.O. Box 1982
Sacramento, CA 95812-1982.

WHEN TO COMPLETE

Update and return the pre-list Payroll Listing to CalPERS each service period. Failure to comply within the specified time period will result in administrative and/or delinquency charges.

SPECIAL INSTRUCTIONS

1. Return the original PERS-AESD-625A, including the Summary Worksheet page, and keep a copy for your records.
2. The office code and batch number in the upper left hand corner of the Payroll Listing are assigned by CalPERS for identification purposes. Please do not change either of these items or combine pages of listings with different batch numbers or office codes in a single report.
3. The reference number which appears in the first column of the Payroll Listing is assigned by CalPERS as an aid in referencing the record. Do not change or add a reference number for any transaction.
4. For basic information on each item used in a payroll entry, see "Payroll Reporting Elements" in this manual.
5. Burst the payroll report and submit the pages in numerical order with the summary worksheet page last. The summary report (PERS-AESD-626) is attached to the front of the entire payroll.

PAYROLL LISTING—PRE-LIST INSTRUCTIONS FOR COMPLETION

1. Enter the current service period on every page in the “Service Period” block, upper left-hand corner.
2. Add those payroll entries which apply to the current service period being reported and are not included on the Payroll Listing supplied by CalPERS. Make any additions by entering all the necessary data on the line following the last payroll entry on the Payroll Listing, or on a blank PERS-AESD-625A. DO NOT enter additions BETWEEN lines of the pre-printed data. Do not make additions on the Summary Worksheet (final page) of the Payroll Listing. Arrange the additions in member surname alphabetical sequence, or, if unit codes are used, arrange the additions alphabetically within unit groupings.

Do not assign reference number; CalPERS assigns.

Reference Number	Social Security	Member Name (last, first)	Coverage Group	Service Period	Pay Code	Pay Rate	Member Earnings	Contrib. Rate	Normal member contrib. code	Amount	Survivor Contrib.	Work Schedule Code	Unit Code	Tax Deferred Member Contrib. Code	Amount
001	000-00-0000	Ross, S	70001		01	2000.000	2000.00	0700	01	70.00	2.00	173	100	11	70.00
002	000-00-0000	Sun, K	70001		04	11.530	1144	0700	01	40.04	2.00	400	100	11	40.04
003	000-00-0000	Rock, J	70001		04	12.500	2123.33			74.32	2.00		100	11	74.32
						12.000	2080.00	0700	01	72.80		400			72.80
004	000-00-0000	Ball, L	70001		01	2500.000	2500.00	0700	01	87.50	2.00	173	100	11	87.50
ADD	000-00-0000	Carter, C	70001		04	12.000	2000.00	0700	01	72.80	2.00	400	100	11	72.80

3. Change any information (such as earnings, contributions, Social Security Number) that is shown incorrectly on the Payroll Listing. Make a change by drawing a single line through the incorrect information (the entire field, not just the incorrect digit or letter), entering the new data immediately above, and circling the reference number on the line being changed. Do not line out too heavily as the data must be visible for modification by CalPERS.
4. Delete payroll entries that do not apply to the current service period. Make a deletion by drawing a single line through all the printed data. Do not line out too heavily as the data must be visible for deletion by CalPERS.

PAYROLL LISTING

ALL COMPUTERIZED REPORTING METHODS

The payroll listing is a hard copy print-out of the transactions reported on the diskette or tape. It is used along with the diskette or tape to process the payroll for a particular service period. However, a hard copy print-out is not necessary if you are using the Automated Communications Exchange System (ACES).

WHEN TO COMPLETE

Print the payroll listing each time a diskette or tape is prepared for submitting payroll transactions to CalPERS.

SPECIAL INSTRUCTIONS

1. The information shown on the payroll listing must agree with the information on the diskette or tape. Do not make manual changes to the payroll listing; use a **Supplemental Payroll Reporting Form** (PERS-AESD-624) for this purpose.
2. Arrange the names on the listing in alphabetical order by surname and unit code or by Social Security Number in ascending order by unit code. For balancing purposes, coverage group codes should be reported separately by unit.
3. The payroll listing should be printed on standard stock computer paper 14" to 14 7/8" by 11". The listing may be printed with the paper turned vertically or horizontally. The paper may range in weight from 14 to 20 pounds. The payroll listing may be printed on 8 1/2" X 11" paper subject to prior approval by CalPERS. The listing should be printed on one side only. Front to back copies will be returned and may be subject to administrative charges.
4. Include the headings on every page of the payroll listing.
5. Allow one inch margins at the top and bottom of each page.
6. When unit codes are used, include totals by unit as well as by page.
7. The final page must have overall totals. The totals **MUST** agree with those on the **Summary Report, Member and Employer Contributions** (PERS-AESD-626) unless a **Supplemental Payroll Reporting Form** (PERS-AESD-624) is used. In the latter case, these totals should be carried to the **Supplemental Payroll Reporting Form** where they would be adjusted.
8. Burst the payroll listing before submitting it to CalPERS.

SUPPLEMENTAL PAYROLL REPORTING FORM ALL COMPUTERIZED REPORTING METHODS (PERS-AESD-624)

The **Supplemental Payroll Reporting Form** (PERS-AESD-624) is used by employers reporting via diskette or tape to manually include last minute changes or corrections to the reports being submitted for a service period. The data on the hard copy payroll listing must agree with the diskette or tape. DO NOT make manual changes to the payroll listing. Use the PERS-AESD-624 for this purpose.

WHEN TO COMPLETE

Complete the Supplemental Payroll Reporting Form only when last minute changes to the report are necessary.

SPECIAL INSTRUCTIONS

1. The Supplemental Payroll Reporting Form is to be used only for last minute changes when the payroll cannot be re-run. Since your computer system should be designed to handle the reporting requirements outlined in this manual, the Supplemental Payroll Reporting Form is not to be used to handle computer system problems.

A maximum of five completed pages of forms will be accepted for any one payroll. If more than five are submitted, CalPERS will charge the agency key entry costs of \$0.60 a line with a \$25.00 minimum. An alternative is to submit an additional diskette or tape with a hard copy and **Summary Report** (PERS-AESD-626) all labeled as a "Special" report.

2. Complete the PERS-AESD-624 in duplicate; send the original copy to CalPERS along with the **Payroll Listing**, tape or diskette and the **Summary Report, Member and Employer Contributions** (PERS-AESD-626). Keep the duplicate for your files.
3. For basic information on each item used to complete this form, see "PAYROLL REPORTING ELEMENTS" in this section.

SUPPLEMENTAL PAYROLL REPORTING FORM (PERS-AESD-624)

SUPPLEMENTAL FORM (PERS-AESD-624) INSTRUCTIONS

BLOCK TITLE	INSTRUCTIONS
Employer Code	Enter the 4-digit employer code assigned by CalPERS. It is found in the Annual Employer Statement.
Office Code	This CalPERS assigned code is required only for agencies who regularly submit more than one payroll for the service period (using the same employer code and service period type code). Enter the 3-digit code assigned to this payroll. Leave blank if your agency does not use office codes.
Employer Name	Enter the full name of your agency.
Service Period	Enter the 5-digit service period for which the Supplemental Payroll Reporting Form is being submitted; 2-digit month, 2-digit year (last 2 digits of year), and 1-digit type service period code. Use the same service period here as on the Summary Report, Member and Employer Contributions (PERS-AESD-626).
Special Payroll	Check this block only when you are submitting an entire payroll that is reporting a special situation, such as a retroactive raise or mass correction. Leave blank when it does not apply.
Total Member Earnings	Enter the total of member earnings from the diskette or tape before changes from the Supplemental Payroll Reporting Form are applied.
Total Normal Contributions	Enter the total of contribution codes 01, 02, 03, 04, 05 and 06 from the diskette or tape, before changes from the Supplemental Payroll Reporting Form are applied.
Total Tax Deferred Contributions	Enter the total of contribution codes 11, 12, 13, 14, 15, and 16 from the diskette or tape, before changes from the Supplemental Payroll Reporting Form are applied. (Leave blank when there are no tax deferred member contributions.)
Total Additional Contributions	Enter the total of additional contributions (contribution codes 08 and 09) from the diskette or tape before changes from the Supplemental Payroll Reporting Form are applied. Leave blank when no additional contributions are reported.
Total Survivor Contributions	Enter the total of survivor contributions from the diskette or tape before changes from the Supplemental Payroll Reporting Form are applied. Leave blank when no survivor contributions are reported.
Total Member Earnings	Calculate the sum of the Total Member Earnings block (top of page) and the Member Earnings column. Enter the new total in the Total Member Earnings block (bottom of page). If more than one page is being used, enter the total on the final page only. Enter this total in Item 5 on the Summary Report (PERS-AESD-626).
Total Normal Contributions	Calculate the sum of the Total Normal Contributions (top of page) and the Normal Member Contributions Amount column, excluding contribution codes 08 and 09. Enter the new total in the Total Normal Contributions block at the bottom of the page. If more than one page is being used, enter the total on the final page only. Enter this total in Item 7 on the Summary Report (PERS-AESD-626).
Total Tax Deferred Contributions	Calculate the sum of the Total Tax Deferred Contributions block at the top of the page and the Tax Deferred Member Contributions column. Enter the new total in the Total Tax Deferred Contributions block at the bottom of the page. DO NOT include amounts reported as contribution codes 08 or 09. If more than one page is being used, enter the total on the final page only. Enter this total in Item 8 on the Summary Report (PERS-AESD-626).
Total Additional Contributions	Calculate the sum of the Total Additional Contributions block at the top of the page and amounts reported as contribution codes 08 and 09 in the Normal Member Contributions Amount column. Enter the new total in the Total Additional Contributions block at the bottom of the page. If more than one page is being used, enter the total on the final page only. Enter this total in Item 9 on the Summary Report (PERS-AESD-626).
Total Survivor Contributions	Calculate the sum of the Total Survivor Contributions block at the top of the page and the Survivor Contribution column and enter the new total in the Total Survivor Contributions block at the bottom of the page. If more than one page is being used, enter the total on the final page only. Enter this total in Item 11 on the Summary Report (PERS-AESD-626).

SUPPLEMENTAL PAYROLL REPORTING FORM (PERS-AESD-624)

Examples (Sample entries follow):

1. A new CalPERS member, Frank P. Howard, came to work near the end of the current service period. The payroll office was notified after the payroll was run but before submitting it to CalPERS. You need to add this member on the PERS-AESD-624.
2. One of your members, Donald Ramos, separated from employment with your agency at the end of the last reported service period. The payroll office was notified after the payroll was run but before submitting it to CalPERS. To delete this member from the payroll, enter the transaction exactly as it appears on the diskette or tape and enter negative money amounts (-) before the Member Earnings, Normal Member Contribution Amount, Survivor Contribution, and Tax Deferred Member Contribution Amount.
3. One of your members, Pamela T. Yuen, did not work a full pay period last month. Her earnings were less than that reported on the payroll. Since the payroll has not yet been submitted to CalPERS, you may make the adjustment on the PERS-AESD-624. Do this by making two payroll entries: (a) one reversing out the entry exactly as it shows on the diskette or tape, but with negative money amounts in the Member Earnings, Normal Member Contribution, Survivor Contribution, and Tax Deferred Member Contribution Amount areas; and (b) the corrected entry.

PUBLIC EMPLOYEES' RETIREMENT SYSTEM
SUPPLEMENTAL PAYROLL REPORTING FORM
PERS-MEM-624 (Rev. 3/89)

EMPLOYER CODE 75500	OFFICE CODE 000
---------------------------	--------------------

EMPLOYER NAME
City of Wagonwheel

SERVICE PERIOD		
MONTH	YEAR	TYPE
04	08	0

SPECIAL
PAYROLL

ENTER THE TOTALS FROM THE
PAYROLL LISTING

SERVICE PERIOD TYPE CODES	
ITEM	CODE
MONTHLY	0
SEMI-MONTHLY - 1ST HALF	1
SEMI-MONTHLY - 2ND HALF	2
BI-WEEKLY - 1ST PAYROLL	3
BI-WEEKLY - 2ND PAYROLL	4
BI-WEEKLY - 3RD PAYROLL	5
QUARTLY WEEKLY - 1ST PAYROLL	6
QUARTLY WEEKLY - 2ND PAYROLL	7

PAY CODES	
ITEM	CODE
MONTHLY PAY RATE	01
HOURLY PAY RATE	04
DAILY PAY RATE	08
MISC. PAY RATE	00

(FOR SPECIAL COMPENSATION REPRESENTING NO ADDITIONAL SERVICE)

CONTRIBUTION CODES		TAX DEFERRED
ITEM	NORMAL	
NORMAL CURRENT CONTR	01	11
PRIOR PERIOD CONTR ADJUST	02	12
PRIOR PERIOD EARNINGS ADJ	03	13
CONTRIBUTION RECEIVABLE	04	14
RETROACTIVE SALARY ADJ	05	15
SPECIAL COMPENSATION	06	16
SUPPLEMENTAL CONTRIBUTION	07	17
ADDITIONAL CONTRIBUTIONS		
EMPLOYEE PAID	08	18
EMPLOYER PAID	09	19

FOR INSTRUCTIONS ON COMPLETING THIS FORM, REFER TO THE MATERIAL ON THE SUPPLEMENTAL PAYROLL REPORTING FORM FOUND IN THE PAYROLL REPORTING SECTION OF THE PROCEDURES MANUAL (PEPS-AUM-DO-430)

[illegible]

REPORTING DEADLINES, PENALTIES, WAIVERS, AND EXTENSIONS

CalPERS may, for good cause, grant an extension of time for the payment of contributions and/or the filing of payroll reports, provided a written request for such extension is received by CalPERS Headquarters in Sacramento at least 10 days before it becomes delinquent. The extension can be for a single service period or it can cover up to one fiscal year. In the latter case, the circumstances surrounding the need for an extension would need to be re-evaluated each fiscal year.

CalPERS may waive delinquent charges upon satisfactory proof of conditions existing beyond the employer's control. Normally, CalPERS does not consider internal procedures or payment processes utilized by an employer as acceptable justification for late reporting and contribution payments. Requests for waivers should be submitted in writing to CalPERS Headquarters in Sacramento on or immediately after the date the payroll reports and/or contributions are due. Requests for time extensions and delinquency waivers may be submitted using the **CalPERS Request for Time Extension and Delinquency Waiver** (PERS01E0001). This form can be found on the CalPERS Web site at **www.calpers.ca.gov** in the CalPERS Retirement Program Forms section.

Requests for extensions or waivers may be mailed to the address below:

CalPERS

Attn: Customer Account Services Division
Payroll Processing Unit
P.O. Box 942709
Sacramento, CA 94229-2709

Or faxed to: (916) 795-3005
Attention: Delinquency Control

NOTE:

Member accounts will not receive full interest credit for the fiscal year if the payroll reports for the May and prior service periods are not received by June 30. The June payroll period report must be received on or before July 31.

REPORTING DEADLINES, ADMINISTRATIVE AND DELINQUENCY CHARGES

All payroll reports must be received by CalPERS Headquarters within 30 calendar days after the close of a service period, or 20 calendar days after CalPERS mails the pre-list for that service period, whichever is later. If an employer fails to file a payroll report on time, CalPERS will assess a minimum administrative charge of \$200 for every report that is late. This charge will cover the added costs of follow-up and special handling.

Delinquency charges are covered in more depth in the Summary Report section of this chapter.

CalPERS will only consider a payroll report "received" if the report is complete and correct according to the requirements set forth in this manual. Payroll reports that cannot be processed routinely will be returned to the employer for correction.

- Member and employer contributions must be received by CalPERS Headquarters within 15 calendar days after the close of a service period.
- If an employer fails to pay at least 90% of the contributions on time, CalPERS may assess an interest charge on the amount outstanding from the date the contributions were due to the date they were actually received. The interest rate used will be the rate CalPERS earns on short term investments. (G.C. section 20120-20124) (CCR 565.2)

AGENCIES REPORTING BY PRE-LIST

If the agency does not have a pre-list to send, it is the agency's responsibility to request a pre-list so that the current payroll may be filed. If an employer needs a pre-list, they can call the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

SUMMARY REPORT MEMBER AND EMPLOYER CONTRIBUTIONS (PERS-AESD-626) ALL REPORTING METHODS

NOTE:

Beginning with the July 2011 payroll reporting period and forward, the AESB 626 will no longer be used to submit contributions to CalPERS. To submit contributions follow the directions as indicated per Circular Letter 200-026-11.

WHEN TO COMPLETE

Complete the summary report any time contributions are submitted to CalPERS. Exception: Adjustment payments may be submitted separately with a **Notice of Adjustment** (PERS-ACC-1520) or a **Notice of Adjustment, Employer Contributions** (PERS-ACC-344).

SPECIAL INSTRUCTIONS

- Prepare the Summary Report in triplicate; submit the original and first copy to CalPERS. Retain the second copy for your records.
- Make the remittance payable to the California Public Employees' Retirement System. Include in the remittance any adjustments that are required; attach the PERS-ACC-1520 or PERS-ACC-344 to support any adjustments made. DO NOT include as part of the remittance any payments for Social Security, Health Benefits, Contingency Reserves Fund, administrative charges or delinquency charges.
- Current requirements per the California Code of Regulations (CCR 565.2) require that at least 90% of the Member and Employer contributions must be received in CalPERS Headquarters no later than 15 calendar days after the last day of the payroll period; and the remaining 10% and completed payroll report must be received in CalPERS Headquarters no later than 30 days after the ending date of the payroll period.
- If a completed payroll cannot be submitted within fifteen (15) days of the ending date of the payroll period, an advance payment of 90 percent of your agency's estimated contributions should be submitted. You then have 30 days from the ending date of your payroll period to send in the remainder of the money due and the corresponding pre-list or hard copy listing and tape or diskette.
- A \$200.00 administrative fee is assessed on the completed reports that are received late and CalPERS may assess an Interest Assessment (based on the average rate of return on short term investments earned by CalPERS during the month in which the monies were due) on monies that are received late. (G.C. section 20120-20124) (CCR 565.3)

FISCAL YEAR END REPORTING DEADLINES

All completed payroll reports for payroll periods ending on or before May 31 must be received in CalPERS Headquarters on or prior to the original due date or June 30, whichever is earliest. Failure to meet this deadline can result in the loss of interest posted to member accounts.

All completed payroll reports for payroll periods ending on or before June 30 must be received in CalPERS Headquarters on or prior to the original due date or July 31, whichever is earliest. Any completed payroll reports for payroll periods ending on or before June 30 but received after July 31 may not appear on the Annual Member Statement for that fiscal year.

Employers reporting by the pre-list method should use the Summary Worksheet of the **Payroll Listing** (PERS-AESD-625A) to prepare the Summary Report. Employers reporting via diskette or tape methods should use the adjusted totals on the **Supplemental Payroll Reporting Form** (PERS-AESD-624), if used, or the final totals on the last page of the hard copy payroll listing if a Supplemental Payroll Reporting Form is not used.

SUMMARY REPORT (PERS-AESD-626)


BLOCK TITLE	INSTRUCTIONS
Employer Code	Enter the 4-digit employer code assigned by CalPERS. It is found in the Annual Employer Statement.
Employer Name	Enter the full name of your agency.
Office Code	<p>This CalPERS assigned code is required only for agencies who regularly submit more than one payroll for the service period (using the same employer code and service period type code).</p> <p>Enter the 3-digit code assigned to this payroll. Leave blank if your agency does not use office codes. If a county reports wage & contribution (payroll) information directly to CalPERS for trial court employees, the trial court should report an office code of "888" on all reports.</p>
Special Payroll	Check this block only when you are submitting an entire payroll that is reporting a special situation such as a retroactive raise or mass correction. Leave blank if it does not apply.
Signature	Have the person responsible for the accuracy of the entire payroll sign here after the form has been completed.
Date	Enter the date the Summary Report is signed.
Name and Title	Print or type the name and title of the person who signed in the Signature Block.
Telephone Number	Enter the area code and telephone number of the person signing the Summary Report.
Supplemental Payroll Reporting Form Attached	Check this block when a Supplemental Payroll Reporting Form (PERS-AESD-624) is attached. (This form is for diskette and tape methods only).
Service Period	<p>Enter the 5 digit service period for which the Summary Report is being submitted; 2-digit month, last 2 digits of year, and 1-digit type code.</p> <p>The service period shown here must agree with that shown on the Payroll Listing (all reporting methods) and Supplemental Payroll Reporting Form (PERS-AESD-624), if used (diskette and tape methods only).</p> <p>Whenever a special payroll is submitted to report entries relating to a prior service period(s), the service period shown here should be a current service period with the corresponding beginning and ending dates for that service period.</p>
Beginning Date	Enter the 6-digit date (MM DD YY) on which the service period being reported began. Example: 06 15 08
Ending Date	Enter the 6-digit date (MM DD YY) on which the service period being reported ended. Example: 06 28 08
1. Coverage Group	Enter each of the coverage groups shown on the payroll, one per line.
2. Employer Rate	Enter the current employer contribution rate that applies to each coverage group (see Annual Employer Statement). Only one employer rate may be used for each coverage group on the Summary Report. Even if adjustments are being made to a previous service period that had a different employer rate, you must use the current rate.
3. Member Earnings	Enter the total member earnings for each coverage group.
4. Employer Contributions	Multiply the member earnings by the corresponding employer rate for each coverage group and enter the resulting employer contributions.

BLOCK TITLE	INSTRUCTIONS
5. Total Member Earnings	<p>Enter the sum of the Member Earnings column.</p> <p>For the pre-list method, this total must agree with that shown on the Summary Worksheet. For diskette and tape methods, this total must agree with that shown on the last page of the payroll listing and if used, the Supplemental Payroll Reporting Form (PERS-AESD-624). For ACES submittals, this must agree with the member earnings totals on ACES.</p>
6. Total Employer Contributions	Enter the total of the Employer Contributions column.
7. Normal (Member Contributions)	<p>Enter the total after tax member contributions due as shown on the payroll. This total does not include contributions reported under Contribution Codes 08 or 09.</p> <p>For the pre-list method, this total must agree with that shown on the Summary Worksheet. For diskette and tape methods, this total must agree with that shown on the last page of the payroll listing or, if a Supplemental Payroll Reporting Form (PERS-AESD-624) is used, the normal contributions shown on the Summary Report must agree with the total normal contributions shown on the Supplemental Payroll Reporting Form. For ACES submittals, this must agree with the normal member totals on ACES.</p>
8. Tax Deferred (Member Contributions)	<p>Enter the total tax deferred member contributions due as shown on the payroll. This total does not include contributions reported under Contribution Codes 08 or 09.</p> <p>For the pre-list method, this total must agree with that shown on the Summary Worksheet. For diskette and tape methods, this total must agree with that shown on the last page of the payroll listing or, if a Supplemental Payroll Reporting Form (PERS-AESD-624) is used, the tax deferred contributions shown on the Summary Report must agree with the total normal contributions shown on the Supplemental Payroll Reporting Form. For ACES submittals, this must agree with the tax deferred totals on ACES.</p>
9. Additional	<p>Enter the total of employee and employer paid additional contributions due as shown on the payroll (Contribution Codes 08 and 09 only).</p> <p>For the pre-list method, this total must agree with that shown on the Summary Worksheet. For diskette and tape methods, this total must agree with that shown on the last page of the payroll listing and, if used, the Supplemental Payroll Reporting Form (PERS-AESD-624). For ACES submittals, this must agree with the additional totals on ACES.</p>
10. Sub-Total	Enter the totals of items 7, 8, and 9.
11. Survivor Benefit	<p>Enter the total survivor contributions as shown on the payroll.</p> <p>For the pre-list method, this total must agree with that shown on the Summary Worksheet. For diskette and tape methods, this total must agree with that shown on the last page of the payroll listing and, if used, the Supplemental Payroll Reporting Form (PERS-AESD-624). For ACES submittals, this must agree with the survivor totals on ACES.</p>
12. Total Member Contributions	Enter the total of Items 10 and 11.

BLOCK TITLE	INSTRUCTIONS
13. Total Member and Employer Contributions	Enter the total of Items 6 and 12.
14A. Surplus Asset: Miscellaneous Category	Surplus Assets are no longer used. Field should be left blank. For use of Superfunded Vouchers, please see CalPERS Circular Letter No. 200-013-09, dated March 5, 2009.
14B. Surplus Asset: Safety Category	Surplus Assets are no longer used. Field should be left blank. For use of Superfunded Vouchers, please see CalPERS Circular Letter No. 200-013-09, dated March 5, 2009.
14C. Adjustments: PERS-ACC-344/PERS-ACC-1520	<p>Enter only the amount of adjustments shown by either the Notice of Adjustment, Employer Contributions (PERS-ACC-344), or the Notice of Adjustment (PERS-ACC-1520). Do not enter corrections of member earnings and member contributions made on the payroll listing. If more than one adjustment is being reported, enter the net amount to be adjusted.</p> <p>Attach the adjustment notice(s) to support the amount entered on this line.</p>
15. Advance Payment	<p>This item is used in two ways:</p> <p>1) When submitting an advance payment, enter the amount being submitted. See ADVANCE PAYMENT SAMPLE for an example of how to complete the Summary Report for submitting an advance payment.</p> <p>2) When an advance payment has previously been submitted and this Summary Report contains the final payment and the payroll detail, enter the amount(s) submitted as an advance payment as a deduction to determine the balance due. Complete the Summary Report as you would for a regular payroll. See "SUMMARY SUBMITTED AFTER ADVANCE PAYMENT" sample for an example.</p> <p>In both cases, be certain to include the date that the advance was paid.</p> <p>If your check or warrant is more than the amount shown in block 16, "Balance Due," do not insert the difference (over-payment) here. CalPERS will send your agency an overpayment notice after the Summary Report has been processed.</p>
16. Balance Due	<p>Enter the sum of Items 13, 14C, and 15.</p> <p>Prepare one check or warrant payable to the Public Employees' Retirement System for the amount entered on this line.</p>

NOTE: A separate Summary Report must be submitted each service period for each employer code and office code.

EXAMPLE: ADVANCE PAYMENT PERS-AESD-626

<p>CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM 400 P STREET, P.O. BOX 1982, SACRAMENTO, CA 95809-1982</p> <p>SUMMARY REPORT MEMBER AND EMPLOYER CONTRIBUTIONS</p> <p>FOR INSTRUCTIONS ON COMPLETING THIS FORM, REFER TO THE MATERIAL ON THE SUMMARY REPORT FOUND IN THE PAYROLL REPORTING SECTION OF THE PROCEDURES MANUAL (PERS-ADM-DO-430)</p>				<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th colspan="2">SERVICE PERIOD TYPE CODES</th> </tr> <tr> <th>ITEM</th> <th>CODE</th> </tr> <tr> <td>MONTHLY</td> <td>0</td> </tr> <tr> <td>SEMI-MONTHLY-1ST HALF</td> <td>1</td> </tr> <tr> <td>SEMI-MONTHLY-2ND HALF</td> <td>2</td> </tr> <tr> <td>BI-WEEKLY-1ST PAYROLL</td> <td>3</td> </tr> <tr> <td>BI-WEEKLY-2ND PAYROLL</td> <td>4</td> </tr> <tr> <td>BI-WEEKLY-3RD PAYROLL</td> <td>5</td> </tr> <tr> <td>QUADRIWEEKLY-1ST PAYROLL</td> <td>6</td> </tr> <tr> <td>QUADRIWEEKLY-2ND PAYROLL</td> <td>7</td> </tr> </table>		SERVICE PERIOD TYPE CODES		ITEM	CODE	MONTHLY	0	SEMI-MONTHLY-1ST HALF	1	SEMI-MONTHLY-2ND HALF	2	BI-WEEKLY-1ST PAYROLL	3	BI-WEEKLY-2ND PAYROLL	4	BI-WEEKLY-3RD PAYROLL	5	QUADRIWEEKLY-1ST PAYROLL	6	QUADRIWEEKLY-2ND PAYROLL	7	<p>FOR CALPERS USE ONLY</p> <p>COUNTY CODE _____</p> <p>54</p>	
SERVICE PERIOD TYPE CODES																											
ITEM	CODE																										
MONTHLY	0																										
SEMI-MONTHLY-1ST HALF	1																										
SEMI-MONTHLY-2ND HALF	2																										
BI-WEEKLY-1ST PAYROLL	3																										
BI-WEEKLY-2ND PAYROLL	4																										
BI-WEEKLY-3RD PAYROLL	5																										
QUADRIWEEKLY-1ST PAYROLL	6																										
QUADRIWEEKLY-2ND PAYROLL	7																										
EMPLOYER CODE: 0000		EMPLOYER NAME: City of Wagonwheel		OFFICE CODE _____		SERVICE PERIOD MONTH: 08 YEAR: 04 TYPE: 0																					
CERTIFICATION I HEREBY CERTIFY THAT I AM THE DULY APPOINTED, QUALIFIED, AND ACTING OFFICER OF THE HEREIN NAMED EMPLOYER; AND THAT THE DATA AS SET FORTH ON THIS FORM AND THE SUPPORTING DOCUMENTS ARE TRUE AND CORRECT.				<input type="checkbox"/> SPECIAL PAYROLL		BEGINNING DATE MONTH: 08 DAY: 01 YEAR: 02																					
SIGNATURE _____		DATE: 9/1/2004		<input type="checkbox"/> SUPPLEMENTAL PAYROLL REPORTING FORM ATTACHED (PERS-AESD-624)		ENDING DATE MONTH: 08 DAY: 31 YEAR: 04																					
NAME AND TITLE (PRINT OR TYPE) Juanita Moreno, Acct. Officer		PHONE NO: (209) 555-5533																									
EMPLOYER CONTRIBUTIONS				MEMBER CONTRIBUTIONS																							
1. COVERAGE GRP.	2. EMPLOYER RATE	3. MEMBER EARNINGS	4. EMPLOYER CONTRIBUTIONS	7. NORMAL:																							
				8. TAX DEFERRED:																							
				9. ADDITIONAL:																							
				10. SUB-TOTAL (7+8+9):																							
				11. SURVIVOR BENEFIT:																							
				12. TOTAL MEMBER CONTRIBUTIONS																							
5. TOTAL MEMBER EARNINGS: \$ 0.00			6. TOTAL EMPLOYER CONTRIBUTIONS:																								
13. TOTAL MEMBER AND EMPLOYER CONTRIBUTIONS: (ITEM 6 + ITEM 12)																											
ADJUSTMENTS:																											
14.A SURPLUS ASSET: MISCELLANEOUS CATEGORY																											
14.B SURPLUS ASSET: SAFETY CATEGORY \$ 0.00																											
ATTACH ADJUSTMENT NOTICES TO SUPPORT AMOUNT SHOWN.																											
14.C ACC-344/ACC-1520 NOTE: Do not enter in this space corrections of member earnings and contributions made on Payroll Listing. \$ 0.00																											
DATE PAID																											
15. ADVANCE PAYMENT/EFT 12/7/2004 \$ 2665.00																											
16. BALANCE DUE: (ITEM 13 PLUS OR MINUS ITEM 14A, 14B, 14C OR 15) PREPARE ONE CHECK OR WARRANT PAYABLE TO THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM.																											
FOR CALPERS USE ONLY																											
Control No. and Business Month	100% Change	Audited	Remittance Amount \$																								
			17. Date Paid																								
			18. Previous Document Number																								

PERS-AESD-626 (12/00)

WHITE AND GREEN COPIES TO SYSTEM, RETAIN PINK FOR YOUR FILES.

00 49333

NOTICE OF ADJUSTMENT, EMPLOYER CONTRIBUTIONS (PERS-ACC-344) CALPERS- INITIATED FORM

The **Notice of Adjustment, Employer Contributions** (PERS-ACC-344) is generated by CalPERS to notify an employer that an adjustment of employer contributions is necessary for the reason(s) shown.

SPECIAL INSTRUCTIONS

1. On the next payroll submitted, adjust the amount of employer contributions. If there is only one adjustment notice, enter this amount on line 14C of the **Summary Report, Member and Employer Contributions** (PERS-AESD-626). If there is more than one adjustment notice (PERS-ACC-344 and/or PERS-ACC-1520), enter the net adjustment on line 14C of the Summary Report.
2. Return the original adjustment notice(s) along with the Summary Report to substantiate the adjustment amount shown on line 14C.

3. If the adjustment results in a payment due to the System, you may remit the payment separately from the Summary Report. Return the original adjustment notice along with the remittance.

If you have any questions regarding a **Notice of Adjustment, Employer Contributions** (PERS-ACC-344), please contact the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

NOTE:

The percentage entered in the "Rate" box is the employer contribution rate in effect at the time the **Notice of Adjustment, Employer Contributions** (PERS-ACC-344) is prepared, regardless of the service period in which the compensation is actually earned.

PERS-ACC-344

STATE OF CALIFORNIA, BOARD OF ADMINISTRATION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
400 P STREET, P.O. BOX 1982, SACRAMENTO, CA 95809-1982

NOTICE OF ADJUSTMENT
EMPLOYER CONTRIBUTIONS
PERS-ACC-344 (5/92)

PERS INITIATED FORM



FOR PERS USE ONLY

FOR INFORMATION CONCERNING THIS FORM, REFER TO THE MATERIAL ON THE NOTICE OF ADJUSTMENT, EMPLOYER CONTRIBUTIONS FOUND IN THE PAYROLL REPORTING SECTION OF THE PROCEDURES MANUAL (PERS-ADM-00-430)

SECTION 830
MEMBERSHIP DIVISION
TELEPHONE (916)

DATE:	ATTN: ACCOUNTING OFFICER	No. PA 42964
EMPLOYER CODE:	EMPLOYER NAME:	

DETAIL OF ADJUSTMENT

MEMBER NAME:	SOCIAL SECURITY NUMBER:	DATE(S):	FROM	TO
--------------	-------------------------	----------	------	----

CHARGE

- ☐ ARREARS CONTRIBUTIONS *
- ☐ MILITARY CONTRIBUTIONS
- ☐ OTHER

CREDIT

- ☐ NON-MEMBER EARNINGS REPORTED AS MEMBER EARNINGS
- ☐ LUMP SUM VACATION PAYMENT
- ☐ EARNINGS CHARGEABLE TO ANOTHER AGENCY
- ☐ OTHER

EMPLOYER CONTRIBUTIONS

COVERAGE GROUP	RATE	MEMBER EARNINGS	CHARGE	CREDIT
	% \$		\$	\$

YOUR EMPLOYER CONTRIBUTIONS SHOULD BE ADJUSTED BY THE AMOUNT SHOWN ABOVE ON YOUR NEXT REMITTANCE TO PERS. ENTER THE AMOUNT OF THE ADJUSTMENT IN ITEM 14 OF THE SUMMARY REPORT (PERS-ACC-626). AMOUNTS DUE PERS (CHARGES) MAY BE REMITTED SEPARATELY, IF DESIRED. IN ALL CASES, RETURN THE ORIGINAL OF THIS FORM AT THE TIME THE ADJUSTMENT IS MADE.

FOR PERS USE ONLY

EMPLOYER CODE	DATE STAMP	CONTROL NO.	BUS. MONTH	MEMBERSHIP	ACCOUNTING

NOTICE OF ADJUSTMENT (PERS-ACC-1520) CALPERS-INITIATED FORM

The **Notice of Adjustment** (PERS-ACC-1520) is generated by CalPERS to notify an employer that an adjustment of contributions is necessary for the reason shown and/or the required certification signature was not present on the **Summary Report** (PERS-AESD-626).

SPECIAL INSTRUCTIONS

1. On the next payroll submitted, adjust the overpayment or underpayment amount. If there is only one adjustment notice, enter this amount on line 14C of the **Summary Report, Member and Employer Contributions** (PERS-AESD-626). If there is more than one adjustment notice (PERS-ACC-344 and/or PERS-ACC-1520), enter the net adjustment on line 14C of the Summary Report.
2. Return the original adjustment notice(s) along with the Summary Report to substantiate the adjustment amount shown on line 14C.
3. The "Remarks" section provides instructions to the employer or refers to an attached corrected "Summary Report" to explain the adjustment.

4. If the adjustment results in a payment due to the System, you may remit the payment separately from the Summary Report. Return the original adjustment notice along with the remittance.

If you have any questions regarding a PERS-ACC-1520 notice, please contact the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

NOTE:

The Notice of Adjustment is sent to an employer after the **Summary Report** (PERS-AESD-626) has been processed and payroll information is posted to the members' accounts. The only way an error in the member's account can be corrected is through an adjustment entry on the Payroll Listing. Please do not attempt to adjust a member's account using line 14C of the Summary Report.

PERS-ACC-1520

STATE OF CALIFORNIA, BOARD OF ADMINISTRATION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
400 P STREET, P.O. BOX 1982, SACRAMENTO, CA 95809-1982



NOTICE OF ADJUSTMENT PERS-ACC-1520 (11/94)

PERS INITIATED FORM

FOR INFORMATION CONCERNING THIS FORM, REFER TO THE MATERIAL
ON THE NOTICE OF ADJUSTMENT FOUND IN THE PAYROLL REPORTING
SECTION OF THE PERS PROCEDURES MANUAL

DATE 4/5/2005	RETIREMENT PROG. ACCT. FISCAL SERVICES DIVISION TELEPHONE (888)CalPERS (225-7377)	
EMPLOYER CODE: 0000	EMPLOYER NAME: City of Wagonwheel	Office Code

() A. An adjustment has been made on your Summary Report, PERS-ACC-626, covering the 04/05/0 period for the reason(s) shown:

- () 1. Computation error
- () 2. Employer rate error:
- () 3. Member earnings as reported on your payroll do not agree with the member earnings shown on your Summary Report.
- () 4. Member normal contributions as reported on your payroll do not agree with the member normal contributions shown on your Summary Report.
- () 5. Tax deferred member contributions as reported on your payroll do not agree with the tax deferred member contributions shown on your Summary Report.
- () 6. Survivor/additional contributions as reported on your payroll do not agree with survivor/additional contributions shown on your Summary Report.
- () 7. Other:

() B. The amount you remitted does not agree with the Balance Due (Item 16) on your Summary Report, PERS-ACC-626, covering the 04/05/0 service period.

BALANCE DUE (ITEM 16) AS ADJUSTED	\$	5697.03
AMOUNT REMITTED	\$	5727.03
LESS VOUCHERS		
OVERPAYMENT	\$	30.00

() C. Your Summary Report, PERS-ACC-626, covering the 04/05/0 service period did not contain the required certification signature.

REMARKS: See Summary copy attached. In order for you to resolve discrepancies which affect your member earnings and/or contributions, you will need CalPERS 'edited payrolls' for the indicated service period. Please contact (888) CalPERS (225-7377) to request microfiche copies of your payroll.

*Overpayments or underpayments should be adjusted on next Summary Report. Enter the amount of the adjustment as Item 14.C. You may remit underpayments separately, if desired. **IN ALL CASES, the Original Notice of Adjustment must be returned at the time the adjustment is made.**

PAYMENT OF CONTRIBUTIONS USING ELECTRONIC FUNDS TRANSFER (EFT)

NOTE:

Beginning with the July 2011 payroll reporting period and forward, the AESB 626 will no longer be used to submit contributions to CalPERS. To submit contributions follow the directions as indicated per Circular Letter 200-026-11. Be advised that if sending via EFT, your agency must send one EFT for each rate plan (formerly known as Coverage Group).

Electronic Fund Transfer (EFT) is a method of instructing financial institutions to electronically transfer money from one account to another, eliminating the use of paper checks. Transfers are initiated by voice (by phone) or by using the online payment service at **www.calpers.ca.gov**.

CalPERS is offering EFT payment services for the most common and repetitive payments. These are retirement contributions and health premium payments. With EFT payments, you may expect to benefit from a reduction of manual paper processing and the associated errors. You will also reduce costs associated with check processing, reconciliation, and postage, as well as assuring the date your payment is received.

If you have questions regarding the CalPERS EFT program, you may call the Cashier Unit from 8:00 a.m. to 4:00 p.m. at (916) 795-7768, or write to the following address:

CalPERS

Fiscal Services Division, Cashier Unit
P.O. Box 942703
Sacramento, CA 94229-2703

CalPERS does not have access to your bank account without your authorization by the ACH Debit process for each payment. Funds can only be transferred to CalPERS for the specific purpose and dollar amounts you request and initiate.

HOW FUNDS ARE TRANSFERRED

Funds are transferred through an Automated Clearing House (ACH) Debit. The Automated Clearing House is a partnership of financial

institutions established to exchange funds electronically between participants. The ACH debit method allows you to transfer funds by authorizing CalPERS to electronically debit a bank account you control for the amount you report via the CalPERS Web site to the CalPERS Data Collector.

The information you are requested to provide will identify you, the purpose of the payment, and the amount. If you authorize a payment before 3:00 PM Pacific Time, it will be withdrawn from your bank account and deposited into a CalPERS account the following banking day. Two banking days from your settlement date, payment identification is downloaded into the CalPERS accounting system crediting your agency with a payment.

Please make allowance for this time period when reviewing the date your payment is due and determining your settlement date.

Example: If your payment is due Monday, March 10th, you must have a settlement date by Thursday, March 6th. Then, the payment will be credited in the CalPERS accounting system on Monday, March 10th. Please remember to calculate additional time for bank holidays.

Cost — CalPERS pays the cost for you to report an ACH debit transaction. A toll free telephone number is provided for this service. The toll free number is (800) 554-7500.

Security — The generic four digit security code of "0000" will allow you first time access to the system. At that time you will be given the opportunity to change the security code to a numeric code of your choice. Retain this security code in your records, it will be the security code you use when reporting your payments thereafter. You may change your security code at any time.

Verification Code — This code is a mathematical calculation that will be requested to ensure the accuracy of the amounts being remitted. Your calculated verification code must match that generated by the system in order for the transaction to be completed.

Note: Calculation of the verification code will not identify transposed numbers. The calculation follows:

Example: Assume a payment of \$75,150.55

- a. Total all digits in the payment
 $7+5+1+5+0+5+5=28$
- b. Count the number of digits in the payment
 $7,5,1,5,0,5,5 = 7$
- c. Add a+b. In this example, the verification code is 35 (28+7)

EFT PROGRAM ENROLLMENT

An **Enrollment Authorization Form** must be completed and signed for each employer transferring funds to CalPERS. If you are transferring funds on behalf of other employers you must obtain a separate authorization for each entity. County Offices of Education are considered a single entity for CalPERS reporting purposes. If you pay both retirement contributions and health premiums, a single Enrollment Authorization is sufficient for both payment types.

To obtain a copy of the **Enrollment Authorization Form**, please visit the CalPERS Web site at www.calpers.ca.gov.

Following your registration for EFT, CalPERS, in cooperation with the Data Collector, will conduct a pre-note (pre-notification) test to validate your bank account and bank routing transit numbers. This test uses a zero-dollar amount and will be conducted at least ten days prior to the first initiation of an EFT payment.

After successful pre-note testing, you will be sent an authorization letter informing you of your eligibility to participate. Please do not attempt to transfer funds until you have received your authorization letter.

Upon enrollment in the CalPERS EFT Program we prefer you use this method of payment exclusively for retirement contributions and health premiums. If you wish to withdraw from the program, please notify CalPERS in writing.

ELECTRONIC PAYMENT SERVICES

CalPERS offers two electronic payment services you can use to make and manage your retirement contribution and health premium payments — Online (by a secure Web service) or Interactive Voice (by phone).

Electronic payment services let you transfer funds from your agency's checking account directly to our bank — safely, securely, and easily. Plus, they are easy to use, simple to get started, and have no cost.

- Save time and money — no postage costs and no worries about lost or stolen checks.
- Control your payments — schedule in advance the exact date and time your payments are dispersed.
- Eliminate any penalties or assessments due to missed payment deadlines.
- Any location, at any time — all you need is Internet access or touch-tone phone.
- Registration is simple — one form does it all for both Interactive Voice and Online services.

ONLINE PAYMENT SERVICE

This secure Web solution offers real time access, tracking of your payment transactions, and control and flexibility.

- Security — all payment information is encrypted using "Verisign" technology.
- Accuracy — review, modify, or cancel a payment anytime before settlement.
- Convenience — payment history is just a click away. Payment amount, settlement date and time, and more can be reviewed, sorted, printed, and used for validation or accounting reports.
- Productivity — use the same PIN for either the Interactive Voice or Online services. There are also online FAQs and live phone support if you need assistance.

INTERACTIVE VOICE PAYMENT SERVICE

This payment option makes your time on the phone productive. Never wait for an operator — just dial and start your transaction.

- Flexibility — services can be reached through any touch-tone phone.
- Efficient — just follow the voice prompts to quickly move through the service.
- Speed — the structured options are easy to navigate.

ELECTRONIC PAYMENT SERVICE REGISTRATION

If you are currently using our Interactive Voice direct payment option, you're already set to use the Online option. There is no additional authorization or security needed. Log into the Online Payment Service at **www.calpers.ca.gov** and input your same PIN — and get started!

To get started making electronic payments, print out and complete the "Electronic Payment Service Registration" form. Send the form, along with a "voided" check to the address indicated on the form.

Once we complete a test transaction (using a zero dollar amount), we'll send you a letter confirming your completed registration, along with easy to follow instructions and a start-up PIN (security code). For your protection and privacy, you'll be required to change your PIN the first time you use the service.

If you are using ACES to transmit your payroll listing and our electronic payment service, you may fax your Summary Report to (916) 795-1523 or transmit your Summary Report using ACES. If you are not using ACES, you can still use the Online or Interactive Voice payment services. You will still need to mail/fax us your Summary Report in order to meet the requirements for complete reporting.

Want to know more? Visit the CalPERS Web site at **www.calpers.ca.gov** or contact a CalPERS representative by calling **888 CalPERS** (or 888-225-7377).

HOW TO MAKE A PAYMENT

WHO TO CALL

You will communicate to the Data Collector through voice or touch tone dialing. The toll free number is (800) 554-7500. If you choose voice, an operator will prompt you through the script and request specific information needed to process your payment.

If you use the touch tone method, a pre-recorded script will prompt you in a similar manner and request specific information.

REQUIRED INFORMATION

You will be asked to report the following information:

Agency Code — You will be requested to choose the state agency you wish to pay.

Employer Code — You will be asked to enter your CalPERS 4-digit employer code.

Security Code — A 4-digit code you designate when you communicate your first payment.

Payment Type — You will be asked to select retirement contributions or health premiums. After you have made one type of payment you will be offered an opportunity to pay the other type for the same employer.

District Code — For Health payments only. You should enter 000 unless your invoice shows an actual District Code Number. An actual District Code Number has been assigned to certain public agencies that remit multiple health payments.

Month & Year — This is the month and year to which you intend to apply the payment. For retirement contributions this will be the payroll service period month and year that appears on your Summary Report of Member and Employer Contributions (AESD-626), for health payments it will be the invoice month and year.

Payroll Type — This information is only for retirement contributions. This is the same payroll type number that will be reported on the **Summary Report of Member and Employer Contributions** (PERS-AESD-626) for which the payment is to be applied.

Amount — The dollar amount, including cents, you intend to transfer. Do not include commas or decimals when reporting this amount.

Verification — A number to validate the amount you intend to transfer.

Transaction Effective Date — You are provided the option of choosing a future date for your payment to be transferred to CalPERS. This choice is optional; if left blank, your payment will be transferred the next banking day.

CONFIRMATION

Please remember it will take two banking days after the settlement date for the payment identification information to be downloaded into the CalPERS accounting system crediting your agency with a payment. Please schedule your settlement date at least two banking days before the due date of your retirement or health payments.

When you complete the transaction, the data collector will provide a reference number that confirms the reporting of your payment information. Retain this number for future reference in the event you wish to cancel or investigate a transaction.

PAYROLL EARNINGS AND HEALTH PREMIUM REPORTS

Your retirement EFT payment must be placed on line 15A (advance payment) of the Summary Report and noted as EFT. Your health premium EFT payment must be placed in the box "Amount Due" and noted as EFT on form HBP-020-05. Noting EFT next to the payment amounts on these reports will assist the CalPERS staff with matching your payment with the correct report.

CANCELLATIONS AND INQUIRIES

You may cancel or inquire about a reported transaction if you call the data collector before 2:00 p.m. Pacific Time the same day the transaction was reported. When you choose to cancel or inquire of a previously reported transaction, you will be transferred to a voice operator for assistance. The reference number originally assigned to the transaction will be requested.



Departmental Use Only

Receipt Date

Registration Date

**FISCAL SERVICES DIVISION -
ELECTRONIC FUND TRANSFER (EFT) AUTHORIZATION AGREEMENT**

Please check **all appropriate boxes**:

- ☐ New EFT Participant
☐ Will pay retirement contributions via EFT
☐ Will pay health premiums via EFT
☐ Change Bank Account
☐ Change Contact Name and/or Telephone Number

SECTION I: PUBLIC AGENCY INFORMATION**INSTRUCTIONS:**

- The CalPERS Employer code is the same identification code reported to CalPERS on the Summary of Retirement Contributions Report (**PERS AESD-626**) or the Health Benefits Public Agency Billing System, Monthly Billing Invoice (**HBP020-05**).
- If you pay the retirement contributions or health premiums for more than one employer, a separate Electronic Fund Transfer Authorization Agreement form must be submitted for each employer.
- Please provide the name and phone number of an EFT contact person that is able to answer payment questions.
- Call (916) 795-7768 for assistance

Public Agency Name		CalPERS EMPLOYER CODE <div style="border-bottom: 1px solid black; width: 100px; margin: 0 auto;"></div>
Mailing Address (Number, Street, Box Number)		Phone Number ()
Mailing Address (City, State, Zip)		
EFT Contact Person		Phone Number ()

SECTION II: BANK INFORMATION**INSTRUCTIONS:**

- ☐ You may return your completed form by mail or via fax. **Please send us a voided check** with your completed Enrollment Authorization Form **or** a copy of a blank check marked void if you use a fax. Your check will provide verification of your bank account and routing transit numbers.

Upon the transmission of transaction information and verification by Accountholder, California Public Employees' Retirement System is hereby authorized to initiate debit entries for such transaction to the bank account identified below and the bank is authorized to debit such account. This authorization is to remain in full force until either party to this agreement terminates it by providing the other party with 30 days written notice.

Bank name		
Bank Address		
Bank Account Number	Routing Transit Number	
Type of account <input type="checkbox"/> Checking <input type="checkbox"/> Savings <input type="checkbox"/> Other (Explain)		
Signature	Title	Date

Use the **sample check** below to locate the bank account and routing transit numbers.

ABC Business 1234 Park Avenue Anytown, CA Pay to the order of \$ XXXX Dollars Anywhere Bank U.S.A. Memo Not Negotiable I:133404567 I:1234561304 III 1044	1044 1. Routing Transit Number (requires 9 digits) 2. Bank Account Number (not to exceed 17 digits) 3. Check Number
---	---

↑ 1
↑ 2
↑ 3

When you have returned your completed authorization form and voided check we will go through a setup and testing process. After verifying a successful setup you will receive a confirmation letter. Simple instructions for use of the electronic funds transfer system will also be included.

Call (916) 795-7768 for assistance

Return to: **California Public Employees' Retirement System**
 Fiscal Services Division-Cashier Unit
 Attn: **Darrel Veitenhans**
 P.O. Box 942703
 Sacramento, CA 94229-2703

Or return by fax to: **fax number (916) 795-7901**

PAYROLL DISCREPANCIES

PAYROLL UNKNOWN DISCREPANCIES

CalPERS maintains a membership record for each member. The membership information in each payroll entry is compared with the information already on file. If there is no match, we have what is called a payroll unknown discrepancy.

Some possible reasons for a payroll unknown discrepancy are:

- The employee was reported on the payroll report before a PERS-AESD-1 or appointment was made via ACES to establish membership.
- Membership was established with one Social Security Number and a different one was reported on the payroll report.
- Membership was established with one coverage group and a different one was reported on the payroll report.

SERVICE CREDIT DISCREPANCIES

The maximum amount of service credit reportable for each frequency is displayed in the section titled "Pay rate/Earnings Relationship — Maximum Service Credit Amount." If the member would receive more than the maximum service credit allowable, a service credit discrepancy is generated.

Some possible reasons for a service credit discrepancy are:

- Compensation, such as overtime, was included in the entry, but should not have been reported.
- Compensation, such as special compensation, a Retroactive salary increase or a mid-service salary increase, has been included in the entry. These items of compensation should have been reported separately.

CONTRIBUTION DISCREPANCIES

With the membership information on file and the earnings shown in the payroll entry, CalPERS will calculate the amount of contributions that should have been reported. If the calculated amount of contributions differs from the contributions that were reported, a contribution discrepancy is generated.

Some possible reasons for a contribution discrepancy are:

- The member was reported under a wrong coverage group.
- The earnings were reported incorrectly.
- An incorrect member contribution rate was used.
- A mistake was made in calculating the member contributions.
- A mistake was made in applying the Social Security modification factor.

NOTE:

Failure to resolve these discrepancies in a timely manner could result in members losing interest on their contributions, incorrect Annual Member Statements, and incorrect or delayed benefits that may be payable to these members. Also, note that the data submitted on the payroll reports, whether correct or incorrect, is used by CalPERS actuaries to determine the employer's contribution rate. Inaccurate or incomplete data may have an adverse effect on this rate.

THIS PAGE INTENTIONALLY LEFT BLANK

BENEFITS PROCEDURES

TABLE OF CONTENTS

<u>Beneficiary Designation Form (PERS-BSD-241)</u>	175
<u>Instructions for PERS-BSD-241</u>	176
<u>PERS-BSD-241</u>	177
<u>Reporting an Imminent Death or Terminal Illness</u>	181
<u>Death of an Active Member</u>	182
<u>PERS-BSD-738</u>	183
<u>Information for Family of Deceased</u>	184
<u>Retirement - General</u>	186
<u>Service Retirement</u>	189
<u>Minimum Requirements</u>	189
<u>Service Retirement Processing</u>	189
<u>Conversion of Sick Leave Credits</u>	189
<u>Acknowledgment Letter (PERS-BAS-451A)</u>	189
<u>Notice of Benefit Approval (PERS-BAS-11)</u>	190
<u>Account Detail (PERS-BSD-11A)</u>	190
<u>Notice of Placement (PERS-BAS-62)</u>	190
<u>Employer Certification (PERS-BAS-200)</u>	190
<u>Amended Employer Certification (PERS-BAS-200A)</u>	190
<u>Deductions after Retirement</u>	197
<u>Health Insurance</u>	197
<u>Income Tax Withholding</u>	197
<u>Payments for Service Credit</u>	197
<u>Social Security</u>	198
<u>Disability Retirement/ Industrial Disability Retirement</u>	199
<u>When to Apply</u>	199
<u>Who can Apply</u>	199
<u>Employer Originated Application</u>	199
<u>Local Safety Members</u>	200
<u>Advanced Disability Pension payments (ADPP)</u>	202
<u>Community Property Claims</u>	203
<u>Resolution No. 1 (Governing Board Determination)</u>	204
<u>Resolution No. 2 (Official Delegate Determination)</u>	205
<u>Resolution No. 3 (Delegation of Authority)</u>	210
<u>School and Local Miscellaneous Members</u>	211
<u>Application Process</u>	212
<u>Retirement Effective Date</u>	212
<u>APA Procedural Resolution</u>	213
<u>Report of Separation and Advance Payroll Information (PERS-BSD-194)</u>	217

<u>Employment of a Retiree</u>	219
<u>General Rule</u>	219
<u>Exceptions to General Rule</u>	219
<u>Employment of a Disability Retiree</u>	223
<u>Reinstatement from Retirement</u>	225
<u>Service Retirement</u>	225
<u>Disability/Industrial Disability Retirement</u>	226
<u>Beneficiary Designation (After Retirement)</u>	227
<u>Qualifying for Pop-Up Benefits</u>	228
<u>Changing Option and Beneficiary Designation</u>	228
<u>Qualifying Events</u>	229
<u>Death of a Retiree</u>	231
<u>Information for Family of Deceased</u>	231
<u>Health Insurance</u>	231
<u>Warrants Issued after Retiree's Death</u>	231
<u>Tax and Income Reporting</u>	232
<u>Refund of Member Contributions</u>	233

The information provided in this publication is for your convenience and reference as a general guide only and cannot be relied upon as an authoritative source for the law, practices, or policies of CalPERS. While CalPERS tries to include only accurate, timely and complete information in its publications, summaries, guidelines and other advisory printed materials, sometimes information provided in printed materials may be or become inaccurate, untimely, incomplete, unclear or misleading. In all instances, the law then in effect, not this publication, controls the application of the Public Employees' Retirement Law. It is the reader's responsibility to independently verify the accuracy of the information contained in this publication before engaging in a course of action.

BENEFICIARY DESIGNATION FORM (PERS-BSD-241) (PRIOR TO RETIREMENT)

The purpose of the **Beneficiary Designation Form**, (PERS-BSD-241), is to:

1. Provide a means for a member who is not retirement eligible and who is not eligible for the Alternate Death Benefit to designate beneficiaries other than the statutory beneficiaries provided by the retirement law. The statutory beneficiaries are listed under item C on the front of the PERS-BSD-241.
2. Provide a means for a member who is married or in a registered domestic partnership and is either eligible to retire (age 50 or over with a minimum of five years of service credit) or who is eligible for the Alternate Death Benefit (under age 50 with 20 or more years of service) to designate beneficiaries to receive a one-time payment of the member's community property share. The spouse/registered domestic partner, by law, is still entitled to a choice of a monthly allowance or lump sum benefit. However, the amount is limited to just their community property share if the member designates other beneficiaries on this form.
3. Change the designated beneficiaries.
4. Designate any person or legal entity such as a college, university, corporation, trust, or estate as beneficiary.

One of the following life events will revoke the PERS-BSD-241:

- a. Marriage/Registration of Domestic Partnership.
- b. Dissolution/Annulment of marriage or termination of domestic partnership. However, a designation filed after the initiation of a dissolution/annulment of marriage or termination of domestic partnership will NOT be revoked when the legal action is finalized.
- c. Birth or adoption of a child.
- d. Termination of employment which results in a refund of contributions, or in payment of a monthly retirement allowance.

NOTE:

Following a revoking action, the death benefits become payable to the statutory beneficiaries unless a new **Beneficiary Designation Form** (PERS-BSD-241) has been filed. The order of statutory beneficiaries is listed in item C on the front of the PERS-BSD-241.

SPECIAL INSTRUCTIONS

1. Changes on the form are acceptable only when they are clear and initialed by the member.
2. Complete the **Beneficiary Designation Form**, make a copy for your records, then mail to CalPERS. It may be faxed to (916) 795-3933.
3. After CalPERS reviews the form, a confirmation letter will be mailed to the member within about 6 weeks. If the form is not acceptable, a new form will be mailed to the member.

NOTE:

The **Beneficiary Designation Form** allows a member to designate benefits on a percentage basis if more than one beneficiary is named. The percentages must add up to 100%. If no percentage is indicated, the benefits will be paid equally to each beneficiary.

Also, there is a box the member can check to certify they are not legally married or not in a domestic partnership. If this box is checked, the "Justification for Absence of Spouse or Registered Domestic Partner's Signature" form is not required.

INSTRUCTIONS TO COMPLETE THE PERS-BSD-241

MEMBER INFORMATION

ITEM	INSTRUCTIONS
Member Name	Print or type the member's name: First name, middle, last.
Social Security Number	Enter the member's Social Security Number.
Birth date	Enter the member's birth date: Month, Day, Year.
Telephone Number	Enter the member's telephone number: area code and 7-digit number.

PRIMARY BENEFICIARIES

ITEM	INSTRUCTIONS
First Name, Middle Name, Last Name	Enter the name of the designated beneficiaries.
Percentage	Optional. Enter a percentage if you wish to provide unequal amounts to multiple beneficiaries (e.g., 75% to one person and 25% to the other). The total percentages must equal 100%.
Relationship to Member	Enter the beneficiary's relationship to the member (i.e., uncle, cousin, brother, friend, charity, etc.).
Social Security Number	Enter beneficiary's Social Security Number.
Address (Number and Street)	Enter the beneficiary's address.
City, State, and Zip Code	Enter the beneficiary's city and state of residence. Be sure to include zip code.

SECONDARY BENEFICIARIES

ITEM	INSTRUCTIONS
Secondary Beneficiaries	<p>A member may name one or more second beneficiary(ies) in this block. The beneficiary(ies) listed here would receive the death benefits in the event the member survives the beneficiary(ies) named as the primary beneficiary.</p> <p>If a member wishes to name more beneficiaries than space allows, attach a separate piece of paper to the form. The attachment must clearly state that it is a continuation of the Primary or Secondary Beneficiaries. It must list the names, relationships, Social Security Numbers and addresses of the beneficiaries. The member must sign and date the attachment. <u>Write the member's name and Social Security Number on the top of the attached paper.</u></p>

SIGNATURE

ITEM	INSTRUCTIONS
Member Signature	Have member sign their name.
Date	Enter the date the member completed this form.
Certification	Check this box if there is no spouse's/domestic partner's signature because the member is not legally married or does not have a registered domestic partner. If this box is checked, the PERS-BSD-800 is NOT required.
Signature of Spouse/Domestic Partner	Have the member's spouse sign his/her full name. If there is no signature in this block, the attached PERS-BSD-800 must be completed by the member.

NOTE:

To properly designate a trust as a primary beneficiary the following information MUST be provided:

The name of the trust, date of trust, and name and address of the person with whom the trust is on file. It is suggested that the following wording be used to name a trust as beneficiary: "The trustee of the _____ Trust".

This suggestion must not be construed as legal advice.

NOTE:

The designation will NOT be accepted without the spouse's/domestic partner's signature unless either the certification box is checked or a PERS-BSD-800A form is received with the PERS-BSD-241.


BENEFICIARY DESIGNATION
 PERS-BSD-241 (Revised 12/04)

TO: CalPERS/ Benefit Services Division
P.O. Box 942711
Sacramento, CA 94229-2711
Fax: (916) 795-3933
Phone: (888) CalPERS (225-7377)

MEMBER'S FULL NAME (PLEASE PRINT)	SOCIAL SECURITY NUMBER	BIRTH DATE	TELEPHONE NUMBER
-----------------------------------	------------------------	------------	------------------

I understand that if I am married or in a registered domestic partnership but do not name my spouse or domestic partner as beneficiary, she/he may still be entitled to a community property share of my 'Lump Sum Contributions' or a share of any monthly allowance that may be payable. My 'Non-Spouse or Non-Partner' designated beneficiaries will receive the portion of my lump sum benefits, which are not payable to my spouse or domestic partner as his/her community property share. I further understand that if my death is determined to be "Industrial," special death benefits will be paid in the manner prescribed by law. If no percentage (%) is given, the applicable benefits will be paid SHARE AND SHARE ALIKE.

PRIMARY BENEFICIARIES

FIRST NAME	MIDDLE NAME	LAST NAME	%	RELATIONSHIP TO MEMBER	SOCIAL SECURITY NUMBER
ADDRESS (Number and Street)		(City)	(State)	(Zip Code)	
FIRST NAME	MIDDLE NAME	LAST NAME	%	RELATIONSHIP TO MEMBER	SOCIAL SECURITY NUMBER
ADDRESS (Number and Street)		(City)	(State)	(Zip Code)	
FIRST NAME	MIDDLE NAME	LAST NAME	%	RELATIONSHIP TO MEMBER	SOCIAL SECURITY NUMBER
ADDRESS (Number and Street)		(City)	(State)	(Zip Code)	

In the event that I survive the person(s) named above, I hereby designate the following person(s) who survive me, as BENEFICIARIES. If no percentage (%) is given, benefits will be paid SHARE AND SHARE ALIKE.

SECONDARY BENEFICIARIES

FIRST NAME	MIDDLE NAME	LAST NAME	%	RELATIONSHIP TO MEMBER	SOCIAL SECURITY NUMBER
ADDRESS (Number and Street)		(City)	(State)	(Zip Code)	
FIRST NAME	MIDDLE NAME	LAST NAME	%	RELATIONSHIP TO MEMBER	SOCIAL SECURITY NUMBER
ADDRESS (Number and Street)		(City)	(State)	(Zip Code)	

Should I survive all of the persons named above, I understand that the benefits payable on account of my death will be paid to my statutory beneficiaries, or to such other beneficiary or beneficiaries that I may hereafter designate in writing to the Board of Administration, all in accordance with the applicable provisions of law.

BY THIS BENEFICIARY DESIGNATION, I HEREBY REVOKE ANY PREVIOUS DESIGNATION I HAVE FILED. I UNDERSTAND THAT MY MARRIAGE OR REGISTERED DOMESTIC PARTNERSHIP, DISSOLUTION OR ANNULMENT OF MY MARRIAGE OR DOMESTIC PARTNERSHIP, OR THE BIRTH OR ADOPTION OF A CHILD OR TERMINATION OF MEMBERSHIP SUBSEQUENT TO THE DATE I FILE THIS FORM WITH CALPERS, WILL AUTOMATICALLY VOID THIS DESIGNATION. HOWEVER, A DESIGNATION FILED AFTER THE INITIATION OF A DISSOLUTION/ANNULMENT OF MARRIAGE OR REGISTERED DOMESTIC PARTNERSHIP IS NOT REVOKED WHEN THE DISSOLUTION/ANNULMENT IS FINALIZED.

Signatures Required

Are you legally married or have a registered domestic partner? ☐ No ☐ Yes

If yes, your spouse or registered domestic partner must sign this form

If no, please indicate: ☐ Never married/or Never in Domestic Partnership ☐ Divorced/Annulled ☐ Widowed

IMPORTANT – You must complete the BSD-800 on the reverse side of this form if you are married or have a registered domestic partnership but your spouse or domestic partner is unable to sign below.

MEMBER SIGNATURE: _____ **Date:** _____

MEMBER ADDRESS: _____
 (Number and Street) (City) (State) (Zip Code)

SPOUSAL/REGISTERED DOMESTIC PARTNER ACKNOWLEDGEMENT: By signing this beneficiary designation form, I acknowledge the information entered by my spouse/domestic partner.

SPOUSE/DOMESTIC PARTNER SIGNATURE: _____

INFORMATION AND INSTRUCTIONS FOR CalPERS BENEFICIARY DESIGNATION FORM

If you die before you retire, the Public Employees' Retirement Law provides for payment of specific Death Benefits to your surviving beneficiaries. Please see your personnel officer for a description of the benefits. The benefits are payable to the following beneficiaries:

- A. If you are a safety member and your death is job-related, or if you are not a safety member but you are fatally attacked while performing your official job duties, the Special Death Benefit may be payable. This benefit is payable by law to your surviving spouse/registered domestic partner (whether or not you were still living together at the time of your death) or, if none, to your unmarried children/step-children under age 22, whether or not you have filed a beneficiary designation.
- B. If you are eligible for retirement or you are a State member with at least 20 years of State service credit, a monthly death benefit allowance may be payable. If you do not have a valid beneficiary designation on file, the benefits will be payable to your surviving spouse/registered domestic partner to whom you have been married to or in a partnership with for either one year or prior to the onset of the injury or illness that resulted in death. Or, if there is no eligible surviving spouse/registered domestic partner, the allowance will be payable to your unmarried minor children, if any.

If you *do have* a valid beneficiary designation on file your spouse/registered domestic partner may still be entitled to a community property share of your lump sum contributions or monthly death benefit allowance. However, your non-spouse/non-domestic partner designated beneficiaries will receive the portion of your lump sum benefits which are not payable to your spouse/registered domestic partner as his/her community property share.

- C. If A and B do not apply and *there is no* valid Beneficiary Designation on file at the time of death, the benefits will be payable to your survivors in the following order:

- 1. Your surviving spouse/registered domestic partner (whether or not you were still living together at the time of your death); or, if none
- 2. Natural and adopted children, including (in limited situations) a natural child adopted by another, share and share alike; or, if none,
- 3. Parents, share and share alike; or if none,
- 4. Brothers and sisters, share and share alike, or if none,
- 5. Your estate (if probated, or subject to probate), or if not,
- 6. Your trust (if one exists), or if not,
- 7. Stepchildren, share and share alike, or, if none,
- 8. Grandchildren, including step-grandchildren, share and share alike, or, if none,
- 9. Nieces and nephews, share and share alike, or, if none,
- 10. Great-grandchildren, share and share alike, or, if none,
- 11. Cousins, share and share alike.

If A and B do not apply and *there is* a valid Beneficiary Designation on file at the time of death, the benefits will be payable to the beneficiary(ies) you designate on the form. **However, if you are married or have a registered domestic partner at the time of death, your spouse/domestic partner may still be entitled to a community property share of your lump sum contributions.**

- D. You may designate or change your beneficiaries at any time by completing another Beneficiary Designation form. You may name as beneficiary any person or persons, a corporation or your estate. Payment will be made to your estate only if probated. You may designate a trust as your beneficiary; however, you must provide the name of the trust, the date of the trust, and the name and address where the trust is filed. It is not necessary to provide the name of the trustee. **Reminder: If you are married or in a domestic partnership at the time of your death and you do not name your spouse/domestic partner as beneficiary, he/she may still be entitled to a community property share of your lump sum contributions or a share of any monthly allowance that may be payable.**

- E. Your Beneficiary Designation will be revoked automatically, and benefits will be payable to the closest survivor listed in section C, if any of the following events occur after your designation form is received by CalPERS:

- 1. Marriage/Registration of Domestic Partnership; or
- 2. Dissolution or annulment of your marriage/domestic partnership. However, a designation filed after the initiation of a dissolution/annulment of marriage or domestic partnership is NOT revoked when the dissolution/annulment is finalized; or
- 3. Birth or adoption of a child; or
- 4. Termination of membership that results in a refund of your contributions.

INSTRUCTIONS (See Reverse Side of This Page)

INSTRUCTIONS

1. Print clearly with ball point pen or type all information requested. If you make an error, make the necessary correction by lining through the error and initialing the change. No erasures or correction fluid will be accepted.
2. Enter on the form the full name of your beneficiaries, relationship, social security number (if known), and the complete address for each. (If the form does not provide enough space, you may attach additional sheets provided you indicate whether you are designating "primary" or "secondary" beneficiaries. You must sign, date, and write your social security number at the top of each additional sheet.)
3. If a (%) is entered make sure the total equals 100%.
4. Your spouse/registered domestic partner must sign the form to acknowledge the names of the beneficiaries you are designating. **IMPORTANT:** If you are unable to obtain your spouse's/domestic partner's signature, you **MUST** complete the BSD-800, "Justification for Absence of Spouse or Domestic Partner's Signature" form, on the reverse side of the designation form or your designation form may be rejected.
5. Enter the date you signed the form and your current mailing address.
6. Mail the completed form to the Public Employees' Retirement System at the address shown, or you may fax it to (916) 795-3933.
7. After CalPERS receives and reviews the form a confirmation letter will be mailed to you within 6 weeks. If the form is not acceptable a new form will be mailed to you to complete.

IMPORTANT INFORMATION

The Information Practices Act of 1977 and the Federal Privacy Act require the California Public Employees' Retirement System to provide the following information to individuals who are asked to supply information. The information requested is collected pursuant to the Government Code Sections (20000, et seq.) and will be used for administration of the Board's duties under the Retirement Law, the Social Security Act, and the Public Employees' Medical and Hospital Care Act, as the case may be. Failure to supply all of the requested information may result in the System being unable to perform its functions regarding your status. Portions of this information may be transferred to: state and public agency employers, California State Attorney General, Office of the State Controller, Teale Data Center, Franchise Tax Board, Internal Revenue Service, Workers' Compensation Appeals Board, State Compensation Insurance Fund, County District Attorneys, Social Security Administration, beneficiaries of deceased members, physicians, insurance carriers, and various vendors who prepare microfiche/microfilm for CalPERS. Disclosure to these parties is done in strict accordance with current statutes regarding confidentiality.

You have the right to review your membership files maintained by the California Public Employees' Retirement System. For questions concerning your rights under the Information Practices Act of 1977, please contact the Information Practices Act Coordinator, CalPERS, P.O. Box 942702, Sacramento, CA 94229



Benefit Services Division
P.O. Box 942711
Sacramento, CA 94229-2711
(888) Cal-PERS (225-7377)
TDD - (916) 795-3240; FAX (916) 795-3933

JUSTIFICATION FOR ABSENCE OF SPOUSE OR REGISTERED DOMESTIC PARTNER'S SIGNATURE

Pursuant to Government Code Section 21261, the member's current spouse or registered domestic partner must be made aware of the selection of benefits or change in beneficiary made by the member. The spouse or domestic partner of a CalPERS member must acknowledge the submission of a request for refund of contributions; election of retirement optional settlement; and designation of beneficiary for Pre-retirement Death Benefits.

If a spouse or domestic partner's signature does not appear on one of the above-mentioned documents, the following information **MUST** be completed by the member and submitted with the application/form.

MEMBER'S NAME (TYPED OR PRINTED)	SOCIAL SECURITY NUMBER
APPLICATION SUBMITTED	
BENEFICIARY DESIGNATION (PERS-BSD-241)	

Select either 1 or 2 and indicate specifics:

1. ☐ By checking this box, I indicate that I am not legally married or in a registered domestic partnership because:
 - ☐ Never married or never in registered domestic partnership.
 - ☐ Divorced/marriage annulled or domestic partnership terminated. _____
Date (mm/dd/yyyy)
 - ☐ Widowed. _____
Date (mm/dd/yyyy)
2. ☐ By checking this box, I indicate that I am married or have a domestic partner, but my spouse or domestic partner did not sign this form because:
 - ☐ I do not know and have taken all reasonable steps to determine the whereabouts of my spouse or domestic partner, **OR**,
 - ☐ My spouse or domestic partner has been advised of the application and has refused to sign the written acknowledgement; **OR**
 - ☐ My spouse or domestic partner is incapable of executing the acknowledgement because of an incapacitating mental or physical condition; **OR**,
 - ☐ My spouse or domestic partner has no identifiable community property interest in the benefit, **OR**,
 - ☐ My spouse or domestic partner and I have executed a marriage settlement or partnership agreement that makes the community property law inapplicable to the marriage or partnership.

I certify under penalty of perjury that the foregoing information is true and correct.

MEMBER'S SIGNATURE	DATE SIGNED
--------------------	-------------

REPORTING AN IMMINENT DEATH OR TERMINAL ILLNESS POWER OF ATTORNEY

When an employer becomes aware of an employee's imminent death or terminal illness, the employer should immediately contact CalPERS by calling **888 CalPERS** (or **888-225-7377**).

Imminent death or terminal illness implies that the member is not expected to live more than 90 days. This also applies to cases where death may not necessarily be imminent, but competency to act on one's own behalf may become impaired thereby jeopardizing later desired retirement action.

If a person is competent to complete the **CalPERS Special Power of Attorney** form (PERS-OSS-138) located in **The Power of Attorney** (PUB-30) publication, the person may give his/her "attorney-in-fact" the power and authority to complete transactions relating to CalPERS, including filing applications, making benefit elections, designating beneficiaries, and endorsing warrants.

NOTE:

Due to changes in the Probate Code, a member may now specifically authorize their attorney-in-fact to select a retirement option and name a beneficiary even if the attorney-in-fact is a spouse, registered domestic partner, or other family member.

To expedite processing, the person reporting an imminent death should provide the Retirement System with the following information:

1. Member's name, Social Security Number, and birth date.
2. Probable effective retirement date or date when leave credit will expire.
3. Current salary information and balance of accumulated sick leave.
4. Name, relationship, birth date, and sex of the person to be designated as the member's beneficiary.
5. Address and telephone number where information can be communicated.
6. Nature and seriousness of illness, estimated life expectancy, and whether the member is presently competent.

The Retirement System will then contact the parties concerned regarding the benefit options available, the filing requirements which must be satisfied, and how best to expedite the filing process.

NOTE:

In order for CalPERS to carry out the desired retirement action (e.g., provide an allowance to the beneficiary), it is imperative that the member be alive on the effective date of retirement and an application election filed with CalPERS prior to the member's death.

The retirement application/election form can be faxed to us at (916) 795-3988 with a notation of "Emergency Retirement" in the top margin on the front page. Do not mail the original. The original should be provided to the member for his/her records.

POWER OF ATTORNEY

For information on **The Power of Attorney** (PUB-30), please visit our Web site at **www.calpers.ca.gov**. To order a supply, please refer to last Section of this Manual – "Ordering Forms and Publications".

NOTE:

If the member is married or in a registered domestic partnership and the member's life expectancy is so short that there is no time to call CalPERS, then you should complete a **Disability Retirement Election/Application**, (PERS-BSD-369D) found in the PUB-35 available online at **www.calpers.ca.gov**.

You cannot elect an option or name a beneficiary, but you must complete the "Survivor Continuance" section 7 to the best of your knowledge. After the completed form is signed, write "EMERGENCY" in the top margin on the first page, and then fax it to (916) 795-3988.

Keep the original for your records. Upon receipt of the fax, a CalPERS representative will call you.

DEATH OF AN ACTIVE MEMBER

EMPLOYER NOTIFICATION TO SYSTEM

Immediately upon learning of an employee's death, the employer should contact CalPERS at **888 CalPERS** (or 888-225-7377) and provide the following information:

1. Member name, Social Security Number, and birth date
2. Date of death, cause of death and date of separation
3. Name, address and telephone number of next-of-kin
4. The birth date and date of marriage/partnership if a spouse/registered domestic partner is next-of-kin,

CalPERS will send you a partially completed PERS-BSD-738, **Report of Separation for Death**, with the following information:

1. Employer name and code
2. Name and Social Security Number
3. Date of death

INSTRUCTIONS FOR COMPLETION — PERS-BSD-738

The employer should verify and, if necessary, correct any information on the form. The employer completes remainder of form as follows:

PART I — EFFECTIVE DATES

1. Separation Date — Enter last day on pay status, if separation date or date of death differs from the last day on payroll for which contributions were deducted.
2. Reason for Separation — If separation is not due to death, enter reason for separation. Separation date cannot be later than death date.
3. Last Day on Pay Status — Enter last day on payroll.
4. Timebase — Enter timebase.

PART II — PAYROLL/CONTRIBUTION INFORMATION

1. Dates of pay periods (monthly, semi-monthly, bi-weekly, or quadri-weekly) for the month of separation and each of the three months preceding separation.
2. Amount of full-time pay rate.
3. Gross regular amount earned in each pay period.
4. Amount of regular retirement contributions for each pay period.
5. Amount of special compensation earnings for each pay period.

6. Amount of special compensation contributions for each pay period.
7. Under "Other" column heading, explain other than normal contributions (e.g., retroactive salary increase, etc.).

NOTE:

- Do not combine contributions for Special Compensation with normal contributions. Use the "special compensation" column.
- Do not deduct retirement contributions from the lump sum vacation payments.
- Do not delay submission of this form awaiting final payroll data. Estimate the last period's payroll information and label this line "Estimate".

PART III — UNUSED SICK LEAVE AND/OR UNUSED EDUCATIONAL LEAVE

Please indicate the total number of **days** of unused sick leave and educational leave credited to the member (for members who have attained the minimum retirement age or who are under age 50, but have at least 20 years of state service only) on death date. Show partial days to three decimal places.

PART IV — HEALTH INSURANCE

Complete only if the member had health insurance coverage under the Public Employees' Medical and Hospital Care Act. A request for change in health benefits coverage based upon change in family status (death) may be made by an enrolled surviving family member who continues to receive an allowance.

PART V — SIGNATURE

Have this form signed by an authorized officer; enter title, phone number and date. Fax completed form PERS-BSD-738 to CalPERS immediately.

NOTIFICATION BY OTHER THAN EMPLOYER

When CalPERS is informed of an employee's death by someone other than the employer, the System will also initiate the form PERS-BSD-738, partially filled in, and forward to the employer. The employer completes the balance of the form per instructions found in "Employer Notification to System".



Benefit Services Division
P.O. Box 1652
Sacramento, CA 95812-1652
(888)CalPERS or (888)225-7377, FAX (916)795-1281

REPORT OF SEPARATION FOR DEATH – REQUEST FOR PAYROLL INFORMATION
PERS-BSD-738 (2/01)

PLEASE COMPLETE AND FAX TO (916) 795-1281 AS SOON AS POSSIBLE

Agency Code:	Agency Name:	
Member Name:	SSN:	Date of Death:

We have been notified that the above member has died. Your cooperation in immediately providing the following information is an important part of ensuring the accurate and prompt payment of death benefits.

PART I. EFFECTIVE DATES REGARDING SEPARATION – Please explain any difference between date of separation and last day on pay status, or, if member was on a leave of absence give dates of absence. Timebase: indicate whether member was fulltime, part-time, indeterminate, or intermittent. If part-time, also indicate required hours (i.e., 30/40 for member working 30 hrs per week).

Separation Date:	Reason for Sep (if separation <u>not</u> due to death):	
Last Day on Pay Status:	Timebase:	Required Hrs:

PART II. PAYROLL AND CONTRIBUTION INFORMATION – Please complete this section for the LAST FOUR MONTHS on pay status, by payroll service period. Contributions should not be deducted after separation. For retroactive pay increases, provide the inclusive dates of the increase as well as the new payrate, total earnings, and contributions for the period of the increase. Any special compensation should also be shown below (i.e., uniform allowance, holiday pay, etc.).

Pay Period From To	Payrate	Gross Earnings (regular)	Member Cont. (regular)	Special Comp. Earnings	Special Comp. Contrib.	OTHER (specify)

PART III. UNUSED SICK/EDUCATIONAL LEAVE AT TIME OF SEPARATION - Please enter the total number of days of unused sick leave and educational leave credits (Section 20963.1) the employee had at the time of separation. Accumulated hours must be converted to days using the appropriate factor applicable to each employees' individual classification or position. Calculate to three decimal places.

TOTAL UNUSED SICK LEAVE: _____ DAYS
BALANCE OF EDUCATIONAL LEAVE CREDITS: _____ DAYS

PART IV. HEALTH AND DENTAL INSURANCE - To be completed only by State agencies and Public agencies which contract for health and/or dental coverage under the Public Employees' Hospital and Medical Care Act. Please attach copies of current health and dental enrollment forms. Failure to provide this information may result in lapse of coverage for eligible annuitants. Bargaining code will need to be provided for Public agency employees ONLY.

Type of Coverage	Plan Name	Name(s) of Covered Dependents	Bargaining Code (If Applicable)
HEALTH INSURANCE			
DENTAL INSURANCE			

PART IV. CERTIFICATION OF EMPLOYER – The above information is based on payroll information currently available.

Signature of Payroll Officer _____ Title _____ Telephone # _____ Date _____

INFORMATION FOR FAMILY OF DECEASED

When CalPERS is notified of an active employee's death, a letter (which may not provide an estimate of the benefits payable) and the publication ***A Guide to Your...CalPERS Survivor Benefits*** (PUB-55) will be sent to the next of kin. The publication explains the benefits which may be payable and provides an ***Application for Active Member/Non-Member Survivor Benefits*** (PERS-BSD-1167).

If an estimate is not provided, or if only lump sum benefits are payable, the PERS-BSD-1167 may serve as the claim form completed by the designated or statutory beneficiary. If there is a choice of monthly or lump sum benefit an election must be made on the PERS-BSD-1167. If the information provided in the initial PERS-BSD-1167, along with any designation on file, indicates the proper beneficiary remains to be contacted, a claim form will be sent to the proper beneficiary. Payment of death benefits will be as soon as possible after receipt of the claim form and copies of any other documents required (e.g., marriage, birth, or death certificates).

To determine the beneficiary(ies), CalPERS will check the file for a valid[†] ***Beneficiary Designation Form*** (PERS-BSD-241) (See Beneficiary Designations – Prior to Retirement). If a valid PERS-BSD-241 has been filed and if the member was eligible for retirement (at least age 50 with five or more years of service credit) the allowance payable to the surviving spouse/domestic partner will be reduced and the beneficiary(ies) designated will receive a one-time payment of the employee's community property share. If a PERS-BSD-241 is no longer valid or has not been filed, death benefits will normally be paid to the statutory beneficiary as follows:

- 1) If the member was eligible for retirement on the date of death:
 - a) Member's surviving spouse/registered domestic partner, if married or registered either one year before death or before illness or injury that caused the death, or if none;
 - b) Unmarried minor child.
- 2) If the member was not eligible for a monthly allowance:
 - a) Member's surviving spouse/registered domestic partner (whether or not still living together at the time of death); or, if none;
 - b) Natural and adopted children, including (in limited circumstances) a natural child adopted by another, share and share alike; or, if none;
 - c) Parents, share and share alike; or, if none;
 - d) Brothers and sisters, share and share alike; or, if none;
 - e) Member's estate (if probated, or subject to probate); or, if not;
 - f) Member's trust, if one exists; or, if not;
 - g) Stepchildren, share and share alike; or, if none;
 - h) Grandchildren, including step-grandchildren, share and share alike; or, if none;
 - i) Nieces and nephews, share and share alike; or, if none;
 - j) Great-grandchildren, share and share alike; or, if none;
 - k) Cousins, share and share alike.

[†] Any of the following life events will, by law, revoke a Beneficiary Designation (PERS-BSD-241):

- a. Marriage/Registration of Domestic Partnership.
- b. Dissolution or annulment of marriage/domestic partnership may require an updated Beneficiary Designation form. A designation filed after the initiation of a dissolution/annulment of marriage or partnership will NOT be revoked when the legal action is finalized.
- c. Birth or adoption of a child
- d. Termination of employment which results in a refund of contributions, or in payment of a monthly retirement allowance.

Following the member's death, a spouse/domestic partner may request a ***Disclaimer of Benefits*** form if he/she does not wish to receive their community property interest in the death benefits. If the ***Disclaimer of Benefits*** form is completed, then the entire Basic Death Benefit may be paid to the person(s) designated on the PERS-BSD-241, unless the member is survived by a minor child who would become the statutory beneficiary entitled to a monthly allowance.

NOTE:

Original documents (death certificate, marriage certificate, etc.) should NOT be sent to CalPERS. Only clear photocopies of these documents should be submitted. To expedite the death benefit payment process, ensure that the deceased member's Social Security Number appears in the top right corner of each photocopy so that the documents are associated with the correct file.

RETIREMENT — GENERAL

STEP-BY-STEP INSTRUCTIONS

For step-by-step instructions on completing the forms used to process a Service Retirement, please refer to the ***A Guide to Completing Your CalPERS Service Retirement Election Application*** (PUB 43) or visit the “Employer Forms and Publications Directory” on the CalPERS Web site.

REQUEST FOR ESTIMATES OR COUNSELING

Members may wish to receive an estimate of their CalPERS retirement allowance. There are several important things members should know about CalPERS retirement estimates:

1. Members may receive immediate estimates by using the CalPERS On-line Retirement Planning Calculators, available on the CalPERS Web site, **www.calpers.ca.gov**. Using the online Retirement Planning Calculators allow members the flexibility to calculate an estimate using assumptions or projections anticipated by or known to the member, allowing them to determine the best retirement date based on these anticipated changes or projections. This is also the recommended service for members seeking retirement estimates greater than three years in the future. Since our CalPERS-generated estimates do not project future salary increases, changes in time base, or unreported special compensation, members may not find them useful.
2. CalPERS-generated retirement estimates are processed by the Member Services Division. These estimates use the payroll reported by the employer. However, actual final compensation may be different after payroll reconciliation and review; and will be based on compensation allowable by law. Members who are within three years of retirement may request a CalPERS-generated Retirement Estimate online, but first must register for an online User ID and Password on our CalPERS Web site. Or download, complete, and submit the ***CalPERS Retirement Allowance Estimate Request*** (MSD 470) also available online. Alternatively, a request

can be made by calling CalPERS at **888 CalPERS** (or **888-225-7377**).

3. All information on the PERS-MSD-470 must be completed before an estimate can be processed. Important: Please be sure the address and Social Security Number are legible.
4. Retirement benefit estimates will be mailed to the address indicated on the PERS-MSD-470 within 30 days of receipt of the request by CalPERS.
5. A request for an estimate is NOT an application for retirement. A ***Service Retirement Election Application*** (PERS-BSD-369-S) or ***Disability Retirement Election Application*** (PERS-BSD-369-D) must be submitted to apply for retirement. An application for retirement may not be used to request an estimate. If the member plans to retire in the near future, the employer should provide the member with our CalPERS publication ***Planning Your Service Retirement*** (PUB 1) and the CalPERS ***Local Miscellaneous Benefits*** publication (PUB 8) or the CalPERS ***Local Safety Benefits*** publication (PUB 9) or the CalPERS ***School Benefits*** publication (PUB 2). These publications provide additional benefits to consider in preparing for retirement.
6. Members are encouraged to attend a Retirement Planning Workshop prior to submitting their application for retirement. This workshop provides valuable information on planning for retirement. The latest schedules and descriptions of all classes offered are located in the CalPERS Education Center on the CalPERS Web site at **www.calpers.ca.gov** or you may contact CalPERS at **888 CalPERS** (or **888 225-7377**) to obtain further information.

WHEN TO APPLY

An application for retirement should be forwarded to the Benefit Services Division not more than 90 days prior to the desired effective retirement date.

NOTE:

A disability retirement application should be submitted as soon as a medical condition becomes disabling and prior to the expiration of benefits to ensure the member is eligible for the earliest effective date possible.

This advance notice permits CalPERS to make calculations and begin payments on a timely basis. Members should be advised of this and encouraged to mail their applications to:

CalPERS

Benefit Services Division
P.O. Box 942711
Sacramento, CA 94229-2711

ADDITIONAL NOTES FOR SUBMITTING FORMS

If the application is submitted by fax to the Benefits Services Division, DO NOT send the original hard copy application.

Do NOT submit any original certificates (Marriage, Birth, Death, etc.). Send only photocopies of important documents, as CalPERS cannot return original documents. Each page should have the member's Social Security Number for identification.

If the application was received within nine months after discontinuance of employment, or, in the case of retirement for disability, if the member was physically or mentally incapacitated to perform his or her duties within nine months from the date the member discontinued state service, the effective date of retirement will be the day following the last day of payroll.

In the case of an application for retirement filed with the Board more than nine months after discontinuance of the member's state service, the effective date shall be the first of the month in which the member's application was received at an office of the Board or by an employee of this system designated by the Board.

WHO MAY APPLY

SERVICE RETIREMENT

A public agency member who has reached age 50 and has earned at least five years of credited service may submit an application for retirement. Local members with service credit under the State Second Tier formula must have at least 10 years

of credited service to have the Second Tier service included in their retirement calculation. The application must show a definite retirement date and be submitted by the member. It is the employee's responsibility, not the employer's, to see that the retirement application is sent to the System.

NOTE:

If the member is employed in an overtime position or multiple positions with CalPERS employers, the member **MUST** separate from all employment to retire, even though they may not be receiving service credit for one or more of the positions.

NOTE:

A member who is employed on a permanent part-time basis and has worked at least five *calendar* years may be eligible to retire with less than five years of credited service. *Full time employees must work* 10 months of full-time employment or 1,720 hours to equal one year of CalPERS service credit. The retirement benefit the member will receive will be based on their actual service credit amount. (G.C. section 20970)

DISABILITY OR INDUSTRIAL DISABILITY RETIREMENT
Please refer to the instructions found under "Disability Retirement or Industrial Disability Retirement" in this section of the handbook.

REQUESTING ADDITIONAL SERVICE CREDIT

All requests for service credit cost information must be received prior to the member's effective retirement date. The retirement date can be no earlier than the day following receipt of the request by CalPERS. Therefore, it is important that the member request any additional service credit information well in advance of his/her retirement to avoid possible delays in the retirement date. ***A Guide to Your CalPERS Service Credit Purchase Options*** (PUB 12) can be requested by employers via email from CalPERS Central Receiving at Public_Agency_Requests@calpers.ca.gov or downloaded from the CalPERS Web site at www.calpers.ca.gov. Service credit questions should be directed to:

CalPERS

Customer Account Services Division
P.O. Box 942704
Sacramento, CA 94229-2704
888 CalPERS (or 888-225-7377).

CANCELLATION OF RETIREMENT APPLICATION

If a member desires to cancel the service retirement application or defer retirement to a later date, the member must request to do so prior to the issuance date of the first full monthly payment. For cancellation of disability retirement, refer to the instructions found under the "Disability or Industrial Disability" section. A cancellation is binding; the member must thereafter re-apply whenever the member is ready to retire.

1. Once the first full monthly payment has been issued, the member will not be allowed to cancel the retirement.
2. A member may request a refund of accumulated contributions in writing in lieu of retirement prior to the issuance of the first full monthly payment.

SERVICE RETIREMENT

MINIMUM REQUIREMENTS FOR SERVICE RETIREMENT

A member shall be retired for service upon written application if the member has reached the minimum retirement age and has earned at least five years of credited service. Minimum retirement age is 50 for public agency and school members. Local members with service credit under the State Second-tier retirement plan must have at least 10 years of credited service to have the State Second-tier service used in their retirement calculation.

SERVICE RETIREMENT PROCESSING — DOCUMENT SEQUENCE

1. **BSD-369-S — Service Retirement Election Application** is received in the System from the member.

Please note that if the member is married or in a domestic partnership but is not able to obtain the spouse's or domestic partner's signature on the **Service Retirement Election Application** form they must complete a **Justification for Absence of Spouse's or Domestic Partner's Signature** (BSD-800-A).

The application package includes information regarding required marriage/domestic partnership, and birth date evidence. Do not submit any original certificates. Send only photocopies of important documents, as CalPERS cannot return original documents. Each page of all documents submitted to CalPERS should reflect the member's Social Security Number for identification.

Direct Deposit Authorization form (BSD-1199-P) can also be submitted with the election application form. This form can be downloaded by visiting the CalPERS Web site at www.calpers.ca.gov.

2. Employer Certification of unused sick leave hours is included in Section 7 of the **Service Retirement Election Application** (BSD-369-S) and must be completed before the member submits the application to CalPERS. To receive sick leave credit, the member's retirement date must be within 120

days from the date of separation from the employer granting the sick leave. If an employer needs to correct the certified amounts please use the **Amended Employer Certification** form (BSD-200A).

Service credit for unused sick leave is a mandated benefit for public agencies that participate in risk pools. For all others, it is an optional benefit.

CONVERSION OF SICK LEAVE CREDITS

All employees, regardless of their work schedule (6.6 hours, 4/10/40, 9/8/80, 52 hour, etc.) will have any accumulated unused hours of sick leave service credit divided by eight to determine the number of days to report to CalPERS for the purposes of enhancing the retirement benefit. No exceptions.

NOTE: Sick Leave must be reported in days only. Employers can take whatever in-house procedures they desire to ensure appropriate sick leave/educational leave days are reported. For instance, the employee's sick leave can be taken off the books the day the certification is completed.

Sick leave is converted to service credit by:
days of reported sick leave X .004 = service credit. Example: 35 days X .004 equals .140 years of service credit.

NOTE: The accrual of sick leave credits must be consistent for members of the same group or class who work like or similar hours. Service credit, which was not earned through the "accrual of sick leave" policy, may not be credited on an individual basis for the purposes of enhancing the retirement benefit. Unused sick leave for which a member receives compensation, (sick leave cash out) should not be reported to CalPERS for purposes of enhancing the retirement benefit.

3. **BSD-451-A — Member Acknowledgment Letter** is sent to the member within 5-10 days of receipt of the **Service Retirement Election Application** in our Sacramento Headquarters office letting them know we have begun processing the request. If the member does not receive an acknowledgment letter within 10 days they should contact CalPERS immediately. See copy on pages that follow.

4. **BAS-11 — Notice of Benefit Approval** will be sent to the member prior to receipt of the first retirement check. This letter provides the date of the first retirement check, the amount the member can expect to receive and important income tax information. See copy on pages that follow.

NOTE:

The member must notify CalPERS prior to the issuance of their first full benefit payment if any changes need to be made in their benefit option election, beneficiary or retirement date.

5. **BSD-11A — Account Detail Information Sheet** is an attachment to the BAS-11, which explains the data used to calculate the member's retirement allowance. See copy on pages that follow.
6. **BAS-62 — Notice of Placement on Retirement Roll** is sent to the employer after the employee is placed on the retirement roll. The PERS-BAS-62 provides the employer with the employee's last day on payroll and the number of sick leave days that were included in the employee's retirement calculation. If all of the information is correct, then no action is needed.

NOTE:

The PERS-BAS-62 is mailed to the employer prior to the issuance of the member's first retirement check, but usually after the member's separation date. See copy on pages that follow.

7. **BSD-200 — Requested Employer Certification** form must be requested and completed by the employer if the retirement application is sent to CalPERS without the certification section completed. An adjustment will be completed upon receipt of the form. See copy of pages that follow.
8. **BSD-200A — Amended Employer Certification** form can be used by employers that wish to submit corrected certification information. An adjustment will be completed upon receipt of the form. Contact CalPERS for a copy of this form. See copy on pages that follow.

NOTE:

For future employment of the retiree, please refer to the section on Employment of a Retiree and the section on Reinstatement from Retirement.

MEMBER ACKNOWLEDGMENT LETTER PERS-BAS-451-A



BENEFIT SERVICES DIVISION
P.O. Box 942711
Sacramento, CA 94229-2711
888 CalPERS (or 888-225-7377)
TDD - (916) 795-3240; FAX - (916) 795-3933

Reply to Section 425
Refer to No.

May 4, 2011

Dear _____ :

Congratulations on your decision to retire! This letter is to acknowledge receipt of your application for service retirement effective April 9, 2011.

If you are currently enrolled in a CalPERS basic health plan you may continue your health insurance into retirement. Please contact your personnel office to ensure your health benefit coverage is active until your retirement processing is completed.

You may be entitled to receive a disability retirement if you are unable to work because of an illness or injury. To request a service pending disability retirement, you must complete a Disability Retirement Election Application. Please note that your retirement date cannot be earlier than the day following your last day on pay status.

CalPERS will send you a letter providing the date of your first retirement check, the amount you can expect to receive, and important income tax information. This letter is usually sent after you have separated from employment but before you receive your first retirement benefit check. Changes to the benefit option election you make, beneficiary you designate, or the retirement date you request, cannot be made after you receive your first full retirement benefit check.

Quality service is a high priority at CalPERS. We look forward to assisting you and making your transition into retirement a smooth and pleasant experience. Any changes to your mailing address should be reported to us immediately. Please direct any questions about your retirement to the above address or telephone number.

Retirement Calculation and Adjustments



BENEFIT SERVICES DIVISION
P.O. Box 942711
Sacramento, CA 94229-2711
888 CalPERS (or 888-225-7377)
TDD - (916) 795-3240; FAX - (916) 795-3933

Reply to: Section 414
Refer To:

May 4, 2011

YOUR SERVICE RETIREMENT ALLOWANCE:

Your election to receive the Unmodified Allowance has been processed. Your monthly retirement benefit is \$1,204.89 based on your retirement date of 04/01/2011. This amount does not include any deduction you have authorized this system to make. Your first regular warrant will arrive on or shortly after 06/01/2011 and will cover the period of 05/01/2011 through 05/31/2011. Your retroactive warrant will be issued on 05/17/2011, and will cover the period of 04/01/2011 through 04/30/2011. Your future retirement warrants will be mailed to arrive on or shortly after the first of the month following the month to which they apply.

Please endorse and cash or deposit each warrant promptly. Unless direct bank mailings are authorized, your personal endorsement is required. If you have requested direct deposit, it will take effect in 30 to 60 days.

Your retirement allowance shown above is an approximation of the amount you are eligible to receive. An adjustment to your account, if needed, to reflect an increase in service (i.e. Golden Handshake service credit), a change in retirement date, or increase in salary will be completed after final payroll information has been received. Any questions concerning an adjustment or pertaining to your future retirement benefits should be directed to the Benefit Services Division, P.O. Box 942711, Sacramento, CA 94229-2711 or by telephoning toll-free 888 CalPERS (or 888-225-7377).

BENEFICIARY/SURVIVOR ALLOWANCE:

Upon your death, benefits will be paid to your beneficiary in accordance with the designation indicated on your retirement election document. If you elected a benefit which requires marriage, domestic partnership, and/or birth documentation and you have not submitted these documents, please send them immediately to the Benefit Services Division. If the documents are not on file at the time of your death, it may be necessary to delay payment of benefits to your beneficiary.

Upon a qualifying life event after retirement, you may modify your election to Option 1, 2, 2W, 3, 3W, or 4 and name a new beneficiary. For more information on modification of election, request CalPERS publication, "Changing Your Beneficiary or Monthly Benefit After Retirement".

PAS313/OSBNL11C
OSPA313D



BENEFIT SERVICES DIVISION
P.O. Box 942711
Sacramento, CA 94229-2711
888 CalPERS (or 888-225-7377)
TDD - (916) 795-3240; FAX - (916) 795-3933

SSA#:
Retirement Date:
Age at Retirement:
Beneficiary Date of Birth:

ACCOUNT DETAIL INFORMATION SHEET

The following is the data used to calculate your retirement allowance. Any change in the information reflected below could result in a change to your retirement benefit. An adjustment to your account, if needed, will be completed after final payroll information has been received from your employer.

EMPLOYER NAME	TYPE OF SERVICE	YRS OF SERVICE	FORMULA / BENEFIT FACTOR	FINAL COMP
PASO ROBLES	NORMAL SERVICE	8.148	2% @ 55 / 2.418	4,237.32
ST PRISON AVENL	NORMAL SERVICE	1.660	2.5%@55 / 2.500	4,237.32
ST PRISON AVENL	NORMAL SERVICE	1.833	2.5%@55 / 2.500	4,237.32

Final compensation is your highest average monthly pay rate for the last consecutive 12 or 36 months of employment based on your employer's contract. If your service was coordinated with Social Security, we subtracted \$133.33 from the final comp amount shown above, before determining your benefit.

Retirement Eligibility and Payment Section
Benefit Services Division

BSD-11A (8/01)

PAS313 / OSBNL11C
OSP2313V



BENEFIT SERVICES DIVISION
P.O. Box 942711
Sacramento, CA 94229-2711
888 CalPERS (or 888-225-7377)
TDD - (916) 795-3240; FAX - (916) 795-3933

To:

Reply to Section 414
Refer to No. 00
May 4, 2011

From: Benefit Services Division
California Public Employees' Retirement System

Subject:

Notice of Placement on Retirement Roll:

This is to advise you that the employee named above has been placed on our 05/2011 Service Retirement Roll with an effective date of 04/19/2011, separation date of 01/31/2006 and last day on payroll of 01/31/2006. If all of this information is correct, no action is needed.

The employee must be separated from employment at least one day prior to the effective date of retirement. Please complete and submit the Amended Employer Certificate Form (BSD-200A) immediately if any of the above-listed information is incorrect. This form can be accessed online at www.calpers.ca.gov in the Employers area under Employer Forms & Publications Directory. An adjustment to the employee's retirement allowance will be completed once we receive the amended form.

For information regarding Benefit Procedures, please refer to your 'CalPERS Procedure Manual' or 'State Handbook.'

PERS-BAS-62

PAS313/OSBNL11C
OSPA3137



California Public Employees' Retirement System

REQUESTED EMPLOYER CERTIFICATION

An employer certification is required to complete processing of the application for retirement for the member named below. The information requested is necessary to accurately adjust the member's retirement allowance. Please complete this form and return it immediately so processing can continue.

TO: CALPERS P.O. BOX 942711 SACRAMENTO, CA 94229-2711	From Agency Code and Name	
Member Name	Social Security Number	Retirement Date

Employee's Last Day on Payroll / /	Employee's Separation Date / /					
Balance of unused sick leave hours _____ ÷ 8 = _____ days Balance of educational leave hours _____ ÷ 8 = _____ days						
<table border="0" style="width: 100%;"> <tr> <td style="width: 50%; text-align: center; vertical-align: bottom;"> _____ Employer Signature </td> <td style="width: 50%; text-align: center; vertical-align: bottom;"> _____ Date </td> </tr> <tr> <td style="width: 50%; text-align: center; vertical-align: bottom;"> _____ Title </td> <td style="width: 50%; text-align: center; vertical-align: bottom;"> _____ Telephone Number </td> </tr> </table>			_____ Employer Signature	_____ Date	_____ Title	_____ Telephone Number
_____ Employer Signature	_____ Date					
_____ Title	_____ Telephone Number					

BSD-200

California Public Employees' Retirement System
www.calpers.ca.gov



California Public Employees' Retirement System

AMENDED EMPLOYER CERTIFICATION

TO: CALPERS P.O. BOX 942711 SACRAMENTO, CA 94229-2711	From Agency Code and Name	
Member Name	Social Security Number	Retirement Date

Employee's Last Day on Payroll / /	Employee's Separation Date / /				
Balance of unused sick leave hours _____ ÷ 8 = _____ days					
Balance of educational leave hours _____ ÷ 8 = _____ days					
<table border="0" style="width: 100%;"> <tr> <td style="width: 50%; text-align: center; vertical-align: bottom;"> _____ Employer Signature </td> <td style="width: 50%; text-align: center; vertical-align: bottom;"> _____ Date </td> </tr> <tr> <td style="width: 50%; text-align: center; vertical-align: bottom;"> _____ Title </td> <td style="width: 50%; text-align: center; vertical-align: bottom;"> _____ Telephone Number </td> </tr> </table>		_____ Employer Signature	_____ Date	_____ Title	_____ Telephone Number
_____ Employer Signature	_____ Date				
_____ Title	_____ Telephone Number				

BSD-200A

California Public Employees' Retirement System
www.calpers.ca.gov

DEDUCTIONS AFTER RETIREMENT

HEALTH INSURANCE

For public agencies covered under the Public Employees' Medical and Hospital Care Act, enrollment of a member is continued without change when the member retires. Coverage will continue into retirement if the individual is enrolled at the time of separation from employment and their effective date of retirement is within 120 days of separation. For questions on health insurance benefits, please refer to the **Health Benefits Procedure Manual for Public Agencies**. Direct Authorization may be established for automatic deduction of payments for health insurance administered by CalPERS as well as life insurance premiums, union dues, credit union payments or shares, or contributions to charitable organizations.

NOTE:

Most deductions will stop at retirement and will need to be re-established.

GENERAL PROCEDURES FOR DIRECT AUTHORIZATION OF HEALTH/LIFE INSURANCE

1. The agency determines the eligibility of the member to continue such coverage into retirement and forwards the authorization form to the carrier, not to CalPERS. This form must be signed by the member.
2. The carrier must then authorize the deductions by sending CalPERS a special deduction authorization form. Premiums will be deducted only as authorized by the carrier. Any additions, changes, or cancellations must be submitted to CalPERS by the carrier.
3. Normally, the carrier will require two (2) months premiums in advance to provide CalPERS with adequate time to process the deduction.

OTHER DIRECT AUTHORIZATIONS

Direct authorization deductions for union dues, credit union payments or shares, or charitable organizations may be established provided that:

1. The organization has contracted with CalPERS to provide this service (members must contact the organization for this information);
2. The member authorizes to have money deducted through the organization;
3. The organization submits the authorization directly to CalPERS; and
4. Authorized deductions are stopped or changed upon receipt of written authorization from the organization.

CalPERS function is limited to the mechanics of deducting and determining what deduction authorization is proper. Inquiries concerning these types of "other deductions," should be directed to the organization.

INCOME TAX WITHHOLDING

Federal and California State income tax deductions will be withheld from monthly or lump sum benefit payments unless the annuitant specifically elects no tax withholding. Federal (W4P), and California State (DE4P) tax withholding forms must be completed to elect either a specific dollar amount of withholding, a withholding based on tax tables, or specifically elect no tax withholding. If the election form is not filed with CalPERS, automatic withholding begins based on a married person with three (3) exemptions. Any questions retirees have concerning the taxability of their allowance should be directed to the Internal Revenue Service or California State Franchise Tax Board.

PAYMENTS FOR PURCHASING SERVICE CREDIT

A member who previously elected to purchase public service credit, redeposit contributions for service credit, or has arrears contributions, may elect upon retirement to continue any payments due into retirement. In such cases, service credit will be included in the retirement calculation and a monthly payment will be taken from the member's retirement allowance. Any balance still unpaid upon the member's death shall be deducted from death benefits otherwise payable.

A retired member's survivor entitled to a monthly survivor allowance may elect to continue such deductions from the monthly allowance in lieu of the lump sum payment otherwise required. The following criteria must be adhered to:

1. No installment payments (deductions) are permitted unless an election has been made prior to retirement.
2. Death benefits against which unpaid balances may be deducted include the lump sum benefit, survivor continuance benefits, and payments under all optional settlements.

SOCIAL SECURITY INSTRUCTIONS

Members having Social Security coverage, integrated with System coverage, should contact their local federal Social Security Office about three months before their retirement.

Reference material needed by the Social Security Office will be: Social Security Number, name of the employer, and documentary proof of birth.

TEMPORARY ANNUITY PAYMENTS

Members who are retiring for service can elect to receive an additional monthly allowance from CalPERS. The benefit is payable from retirement date to a specific age that the member selects; 59 1/2 or any whole age from 60 to 68, along with the dollar amount they wish to receive. For members entering CalPERS membership on or after January 1, 2002, their employment must be in a position covered by Social Security and the maximum dollar amount that can be received is the amount of their potential Social Security benefit at whole age 62 to 70. This benefit is not free. The member's CalPERS lifetime allowance is reduced to pay for the temporary annuity.

The publication ***Temporary Annuity*** (PUB 13) can be requested by employers via email from CalPERS Central Receiving at Public_Agency_Requests@calpers.ca.gov. Member questions on the program can be directed to any of the CalPERS regional offices listed in the appendix chapter of this manual or:

CalPERS
Benefits Services Division
P.O. Box 942711
Sacramento, California 94229-2711

888 CalPERS (or 888-225-7377).

DISABILITY RETIREMENT AND INDUSTRIAL DISABILITY RETIREMENT

You should maintain a supply of ***A Guide To... Completing Your CalPERS Disability Retirement Election Application*** (PUB 35), which includes the disability retirement application, forms to be completed with step by step instructions and important information regarding disability and/or industrial disability retirement. Please familiarize yourself with the information in the publication to provide assistance to your employees.

DISABILITY RETIREMENT

Retirement for disability, available to all members (miscellaneous, industrial and safety classifications) credited with five or more years of service, is retirement resulting from mental or physical incapacity for the performance of the usual duties. The injury or disease causing the incapacity need not be job-related.

NOTE:

A member who is employed on a permanent part-time basis and has worked at least five years may be eligible to retire with less than five years of credited service. (Full time employees must work 10 months of full time employment or 1,720 hours to equal one year of CalPERS service credit.) The retirement benefit the member will receive will be based on their actual service credit amount. (G.C. section 20970)

INDUSTRIAL DISABILITY RETIREMENT

Retirement for industrial disability, available to all safety members and those miscellaneous members covered under G.C. section 21151, is retirement resulting from mental or physical incapacity for the performance of the usual duties. The disabling injury or disease must be work-incurred or job-related. Age, service and contributions are not considered for qualifying purposes.

WHEN TO APPLY

The application for disability retirement shall be made only (1) while a member is in local agency service or (2) for a member whose contributions will be made under G.C. section 20997, and is absent on military service, or (3) within four months after the discontinuance of the local agency service of the member, or while on approved leave of absence, or (4) while the member is physically or mentally

incapacitated to perform his/her duties from the date of discontinuance of local agency service to the time of application or motion.

As soon as it is believed the member is unable to perform the job because of an illness or injury, which is expected to be permanent, or last longer than six months, the member or someone on the member's behalf, should submit an application for disability retirement. The medical condition does not have to be "permanent and stationary" under Workers' Compensation to submit the application.

EMERGENCY RETIREMENT

CalPERS can expedite retirement processing for members who are facing a terminal illness. If this is the case, CalPERS should be contacted immediately to discuss an emergency retirement. We will make every effort possible to quickly obtain the necessary information and complete our processing. However, for any post-retirement death benefits to be paid, the member must be living on the effective date of retirement.

WHO CAN APPLY

Application for disability, or industrial disability, retirement may be made by the member, by a duly authorized official of the employing agency, or any person on behalf of the member. "Duly authorized official" is defined in G.C. section 21152(a)(b)(c).

G.C. section 21153 provides that the employer may not separate a member because of disability who is otherwise eligible to retire for disability. The employer must apply for the disability retirement of such member unless the member waives the right to retire for disability and elects to either withdraw his contributions or leave them in the fund for a future service retirement.

EMPLOYER ORIGINATED APPLICATION

When an employer is submitting the **Disability Retirement Election Application** (PERS-BSD-369-D) on the member's behalf, the following sections must be completed.

- | | |
|------------|--|
| Section 1 | Member Information |
| Section 2 | Retirement Information – only complete the employer name and member's position title. |
| Section 3 | Workers' Compensation Information |
| Section 4 | Disability Information |
| Section 9 | Employer Certification |
| Section 12 | Employer-Originated Application – Signature must be made by the Duly Authorized Official on file with CalPERS or processing will be delayed. |

The employer should not complete Section 5 (Option Election), Section 6 (Retired Death Benefit), Section 7 (Survivor Continuance), Section 8 (Employee Section-last day on payroll), Section 10 (Tax Withholding Election), and Section 11 (Member Signature & Notary). A Supplemental Retirement Information form will be sent to the member for the additional information once the disability is approved by CalPERS.

The form, **Disability Retirement Election Application** (PERS-BSD-369-D) is available for downloading on the CalPERS Web site at www.calpers.ca.gov or contact CalPERS at **888 CalPERS** (or 888-225-7377).

WHAT TO SUBMIT WITH APPLICATION

The following documentation should be submitted with the application the employer files on behalf of the member:

- Job Duty Statement
- Physical Requirements of the Position/Occupational Title form
- Personnel Records
- Adverse Actions
- Investigation Reports
- Medical Information to Support Application (Fitness for Duty reports, doctor notes, etc.)

NOTE:

Only an employer can cancel an Employer Originated Application.

LOCAL SAFETY MEMBERS

Safety members submit applications for disability retirement on the **Disability Retirement Election Application** (PERS-BSD-369-D). Local safety members are not required to complete Section 3 (Workers' Compensation Information) and Section 4 (Disability Information) on the application.

APPLICATION ACKNOWLEDGEMENT

Upon receipt of a request for disability retirement, the System will contact the member and employer, acknowledging receipt of the application.

CalPERS business practices have changed to an automated process for the disability and industrial disability retirement applications. CalPERS will continue to notify the employer of the member's request for disability or industrial disability retirement; however, a copy of the retirement application will no longer accompany the letter.

THE DETERMINATION

In accordance with G.C. section 21156, a local safety member shall be retired for disability only upon the employer's determination that the member is incapacitated physically or mentally for the performance of the usual job duties with the current employer.

The disability decision is based upon competent medical opinion and all medical and vocational information provided by the member, employer and workers' compensation carrier. The determination is based on actual/present disability, not prospective inability to perform the job duties.

The determination must be made within six months of the CalPERS request for such determination in accordance with G.C. section 21157.

Failure to provide this determination within six months places your agency in violation of G.C. section 21157. As a contracting agency of

CalPERS, you are the statutory delegate with authority to perform the function of disability determinations for your local safety employees, within the time frame specified by law. However, the member may waive this requirement.

The employer will determine if the disability is industrial, except that in disputed cases the agency, or the member, may refer the matter to the Workers' Compensation Appeals Board for a determination of industrial causation.

EFFECTIVE DATE OF RETIREMENT

The member's effective date of retirement without the member's consent cannot be earlier than the termination of the employee's leave of absence without loss of salary under Labor Code Section 4850 (L.C. section), or when disability is permanent and stationary as found by the Workers' Compensation Appeals Board, if earlier. (G.C. section 21164)

INDUSTRIAL DISABILITY ALLOWANCE

Generally, the industrial disability retirement allowance of a local safety member will be 50% (or more by additional contract provisions) of final compensation. Please refer to your Annual Employer Statement for a complete list of provisions in your agency's contract. You can view your Annual Employer Statement in ACES or request a copy by calling the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

NOTE: If the member is eligible for service retirement, the service retirement allowance is payable if greater than the industrial disability retirement allowance.

LOCAL AGENCY DETERMINATION PROCEDURES

Before the Retirement System can act on any local safety member's application for disability retirement, the following questions must be resolved by the agency and the information transmitted to CalPERS in the form of a Resolution or determination letter:

1. Is the member substantially incapacitated from performing the usual duties of the position?
2. If incapacitated, will the incapacity exist for a permanent or extended and uncertain duration of six months or longer?

It is the agency's responsibility to order a medical examination and obtain such evidence as is necessary to make a determination.

Such evidence may be obtained from the Workers' Compensation insurer. On the basis of its accumulated evidence, the agency must determine whether the member is disabled within the meaning of the Public Employees' Retirement Law.

This determination must be made within six months from the date of the CalPERS request for such determination. Also, the agency must bear the responsibility for any investigation of retired members for possible reinstatement action.

3. If a determination is made that the member is disabled, is the disability considered "industrial"?

Industrial means disability as a result of injury or disease arising out of and in the course of employment as a local safety member (G.C. section 20046). If there is no application filed with the Workers' Compensation Appeals Board for a determination pursuant to G.C. section 21166, the agency is required to provide the determination of industrial causation.

If either the member or agency applies to Workers' Compensation Appeals Board for a determination, only that Board can decide the "industrial" question (G.C. section 21166).

A copy of this decision must be sent to CalPERS. CalPERS will assume that the findings are not disputed, and will proceed accordingly, unless the agency notifies CalPERS that a Petition for Reconsideration has been filed.

4. What is the last day of compensation?
5. What is the effective date of retirement?

The retirement effective date is established in accordance with G.C. sections 21163 and 21164. These sections state that the member's retirement, without the member's consent, cannot be effective until:

- a. The expiration of accrued sick leave or compensating time off, unless, with respect to such leave, the provisions of local ordinances or rules of the employer provide to the contrary; and/or

- b. The termination of the employee's fully compensated leave of absence under L.C. section 4850; and/or
- c. An earlier date during the leave when the disability is found to be permanent and stationary by the Workers' Compensation Appeals Board.

CalPERS will require the agency determining the member's disability to provide information necessary for CalPERS to determine the effective date. The member should not be kept on payroll to exhaust accrued vacation once a disability determination has been made. G.C. section 21252 may also apply.

NOTE:

Under L.C. section 4850, the leave cannot end earlier than one year unless the disability is determined to be permanent and stationary by the Workers' Compensation Appeals Board and the member will be receiving advanced disability pension payments — paid by the employer. See "Advanced Disability Pension Payments."

- 6. Is there any third party liability related to the injury which caused the disability?

CalPERS requires that the agency file an accident report along with its decision as to the possibility of any third party liability. The reason for this information is that CalPERS will retain its rights of subrogation in disability cases.

- 7. If the member is found to be disabled due to a mental disorder, is the member competent to act on his/her own behalf in legally binding retirement matters?

The agency must certify this information to CalPERS before a warrant can be issued to the member.

If a determination is made that the member is not disabled, the agency must notify the member and CalPERS. Notification to the member of their right to appeal the agency's decision and request a hearing within a designated number of days from the date of the notice, shall be by certified mail, return receipt requested, or by personal service.

If the member appeals the determination, the agency is required to comply with the Administrative Procedures Act (APA) in the disability retirement determination process.

ADVANCED DISABILITY PENSION PAYMENTS (ADPP)

Employers must make "advanced disability pension payments" to safety members who have qualified for benefits under L.C. section 4850 and have submitted an application for industrial disability retirement, until the member begins receiving their retirement benefits directly from CalPERS, or the application for disability retirement is denied.

Employers must commence ADPP no later than 30 days from the date of the last payment of salary/ wages, benefits under L.C. section 4850 or sick leave. Employers are required to commence ADPP when the employee files an application for disability retirement at least 60 days prior to the payment of ADPP and cooperates with providing medical information, attending medical examinations and the evaluation process established by CalPERS.

The 30 day period for the commencement of ADPP shall be tolled by whatever period of time is directly related to the employee's failure to apply for disability retirement or full cooperation with the process.

NOTE:

ADPP cannot be paid to members who are receiving a service retirement allowance.

Contact CalPERS before paying ADPP if the member has applied for Service Retirement pending Industrial Disability Retirement.

When a safety member begins receiving ADPP, any payments made under L.C. Section 4850 are discontinued. CalPERS will notify the employer prior to the member being placed on the retirement roll. The ADPP is then stopped.

When CalPERS begins paying the disability retirement allowance to the member, the amount of the ADPP the employer paid to the member will be deducted from the retroactive portion of the member's retirement allowance. If the retroactive portion does not cover the total amount, CalPERS will reduce the member's monthly allowance by as much as 10% until the balance has been paid. (G.C. section 21419)

ADPP is not considered compensation for retirement purposes. (G.C. section 20630)

The local safety employer is required to pay ADPP until the employee is approved or disapproved for a disability retirement allowance, only if the employee meets specified conditions set forth in L.C. section 4850.4. If an employee's disability retirement application is denied, the local agency and the employee shall arrange for the employee to repay all ADPP.

Advanced disability pension payments shall not exceed 50% of the average monthly pay rate for the last three years prior to retirement. If the member plans to choose an optional settlement, the ADPP should be reduced accordingly. (L.C. section 4850.3)

COMMUNITY PROPERTY CLAIMS

In a situation where a community property claim has been filed against a member's account, it is recommended that your agency reduce the ADPP to 25% of the member's average monthly pay rate for the last three years prior to retirement. If CalPERS has notified your agency of the existence of a community property claim and the non-member spouse is awarded a portion of the member's monthly allowance, the amount awarded to the non-member spouse will be paid from the retroactive portion of the member's retirement allowance before the ADPP is reimbursed to your agency.

If the member's remaining retroactive portion is not sufficient to cover the ADPP, the member's share of the allowance will be reduced by 10% until the total ADPP has been repaid. If the application for disability retirement is denied, the employee is responsible for reimbursing the employer the amount of ADPP received and any repayment plan is decided between the employer and employee.

Since retirement allowances are paid monthly, CalPERS would prefer that the employer make advanced disability pension payments monthly. ADPP should be paid for the preceding month. If the retirement effective date is a day other than the first of the month, the member is entitled to receive retirement pay from the retirement effective date until the end of the month.

Example:

Retirement Date	Portion of Monthly Allowance to be paid by Employer as ADPP
March 5	27 out of 31 days (27/31)
September 30	1 out of 30 days (1/30)

Please include in the Resolution or determination letter to CalPERS the following information:

1. Whether or not advanced disability pension payments will be made;
2. Amount of monthly advanced disability pension payment;
3. Amount of the first payment, if retired date is other than the first of the month;
4. Address to send the reimbursement check.

TRANSMITTAL OF THE AGENCY'S DETERMINATION

The following resolutions are samples that may be used by your agency in transmitting the required information to CalPERS. All resolutions should state whether or not the employer will be making advance disability pension payments to the member.

RESOLUTION NO. 1
DETERMINATION OF A MEMBER'S DISABILITY BY THE GOVERNING BODY

Instructions:

1. If the finding is that the member is not disabled, use only this resolved clause.
2. If the finding is that the member is disabled, use this clause to state whether or not the disability was a result of injury or disease arising out of and in the course of employment.
- 3A. If the finding is that the member is disabled, use this clause if neither the member nor the agency seeks a determination by the Workers' Compensation Appeals Board, pursuant to G.C. section 21166.
- 3B. Use this clause if a petition has been or will be filed by either party.
- 4A. In the determination of the retirement effective date, use this clause if no dispute exists.
- 4B. In the determination of the retirement effective date, use this clause if the Workers' Compensation Appeals Board has disputed the retirement effective date.
5. Use this clause to state that there is, or is not, a possibility of third party liability; i.e., whether or not the member's disability was caused by negligence or an intentional act of a party other than the employer.
6. Use this clause to state whether or not the member will be paid Advanced Disability Pension Payments, and if so, how much.
7. Use this clause to state the member's primary disabling condition. For psychiatric conditions, a clause stating whether or not the member is competent to act on his/her own behalf in legally binding retirement matters must be included.

RESOLUTION NO. 1

RESOLUTION OF

(governing body)

(agency)

(Section 21156, Government Code)

WHEREAS, the _____ (hereinafter referred to as
(name of agency)

Agency) is a contracting agency of the California Public Employees' Retirement System;

WHEREAS, the California Public Employees' Retirement Law requires that a contracting agency determine whether an employee of such agency in employment in which he/she is classified as a local safety member is disabled for purposes of the California Public Employees' Retirement Law and whether such disability is "industrial" within the meaning of such Law;

WHEREAS, an application for _____
(disability/industrial disability retirement)/(reinstatement from disability retirement)
of _____ employed by the Agency in the position of _____
(member's name) (job title)

has been filed with the California Public Employees' Retirement System; and

WHEREAS, the _____ has reviewed the medical and
(name of governing body)
other evidence relevant to such alleged disability;

(1) NOW, THEREFORE, BE IT RESOLVED:

That the _____ find and determine and it does hereby
(name of government body)

find and determine that _____ (is)/(is not)
(member's name)

incapacitated within the meaning of the California Public Employees' Retirement Law for performance of his/her duties in the position of _____; and
(job title)

RESOLUTION NO. 1 (continued)

(2) BE IT FURTHER RESOLVED THAT THE _____
(name of governing body)

find and determine and it does hereby find and determine that such disability _____ a result of injury or
(is) / (is not)

disease arising out of and in the course of employment.

(3A) Neither said _____ nor the agency _____
has (member's name) (name of agency)

applied to the Workers' Compensation Appeals Board for a determination pursuant to G.C. section 21166 whether such disability is industrial.

OR

(3B) BE IT FURTHER RESOLVED THAT A PETITION _____
(will be filed) / (has been filed)

with the Workers' Compensation Appeals Board for a determination pursuant to Section 21166, Government

Code; and a copy of such determination _____;
and (is attached) / (will be provided when rendered)

(4A) BE IT FURTHER RESOLVED that the member was, or will be, separated from his/her employment in the
position of _____ after expiration of his/her rights under Section 21164 Government
(job title)

Code, effective _____ and that no dispute as to the expiration of such leave rights is
(date)

pending. His/Her last day on pay status is _____.
(date)

OR

(4B) BE IT FURTHER RESOLVED that the member was separated from his employment in the position of
_____ effective _____ the date
(job title) (date)

upon which the condition causing his/her disability became permanent and stationary as determined by the
Workers' Compensation Appeals Board in the attached finding. His/Her last day on pay status is _____.
(date)

(5) There _____ a possibility of third party liability.
(is) / (is not)

(6) Advanced Disability Pension Payments _____ be made. (If payments will be made,
(will) / (will not)
provide amount and frequency.) The payments will be made _____ in the amount of
(bi-weekly, monthly, etc.)

\$ _____ beginning _____.
(amount) (date)

(7) The primary disabling condition is _____. (If condition is psychological,
(condition)

add the following:) The member _____ competent to act on his/her own behalf in legally binding
(is)/(is not)

retirement matters.

RESOLUTION NO. 2
DETERMINATION OF DISABILITY BY THE OFFICIAL DELEGATE

This Resolution is made by an Official Delegate appointed by the Governing Body. The Governing Body delegates the authority to determine the disability with a written "Delegation of Authority" (Resolution No. 3). A copy of the "Delegation of Authority" (Resolution No. 3) should be attached to the Determination of Disability (Resolution No. 2)

Instructions:

1. If the finding is that the member is not disabled, use only this resolved clause.
- 2A. If the finding is that the member is disabled, use this clause to state whether or not the disability was the result of injury or disease arising out of and in the course of employment.
- 2B. If the finding is that the member is disabled, use this clause if a petition has been or will be filed by either party.
- 3A. In the determination of the retirement effective date, use this clause if no dispute exists.
- 3B. In the determination of the retirement effective date, use this clause if the Workers' Compensation Appeals Board has disputed the retirement effective date.
4. Use this clause to state that there is, or is not, a possibility of third party liability; i.e., whether or not the member's disability was caused by negligence or an intentional act of a party other than the employer.
5. Use this clause to state whether or not the member will be paid Advanced Disability Pension Payments, and if so, how much.
6. Use this clause to state the member's primary disabling condition. For psychiatric conditions, a clause stating whether or not the member is competent to act on his/her own behalf in legally binding retirement matters must be included.

RESOLUTION NO. 2

(1) Pursuant to the authority delegated to me by action of _____
(governing body)
of _____ (hereinafter referred to as Agency)
(name of agency)
dated _____, under Section 21173, Government Code, and after review
of _____
medical and other evidence relevant thereto, I hereby determine that _____
(member's name)
a local safety member of the California Public Employees' Retirement System, employed by the Agency

(is)/(is not)
incapacitated within the meaning of the California Public Employees' Retirement Law for performance of
his/her duties in the position of _____ and
(job title)

(2A) Pursuant to such authority I also determine that such incapacity _____ a result of injury or
(is)/(is not)

disease arising out of and in the course of his/her employment as a local safety member. I certify that neither the Agency nor the member has filed a petition for determination under G.C. section 21166, to be made by the Workers' Compensation Appeals Board.

OR

(2B) A petition for determination under G.C. section 21166 whether such disability is the result of injury or disease arising out of and in the course of his/her employment by the Agency, in which he/she was a local safety member, has been filed with the Workers' Compensation Appeals Board. A certified copy

of such a determination _____
(is attached)/(will be provided when rendered)

(3A) I hereby certify that the member was separated from his/her employment in the position of _____
(job title) after expiration of his/her leave rights under

Section 21164, Government Code, effective _____ and that no dispute as to the
(date)

expiration of such leave rights is pending. His/Her last day on pay status is _____
(date)

RESOLUTION NO. 2 (continued)

(3B) I hereby certify that the member was separated from his/her employment in the position of

_____ effective _____ the day
(job title) (date)

upon which the condition causing his/her disability became permanent and stationary as determined by the Workers' Compensation Appeals Board in the attached finding.

His/Her last day on pay status is _____.
(date)

(4) There _____ a possibility of third party liability.
(is)/(is not)

(5) Advanced Disability Pension Payments _____ be made. The payments will be
(will)/(will not)
made _____ in the amount of \$ _____ beginning _____.
(bi-weekly, monthly, etc.) (amount) (date)

(6) The primary disabling condition is _____.
(condition)

(If condition is psychological, add the following:)

The member _____ competent to act on his/her own behalf in legally binding retirement matters.
(is)/(is not)

RESOLUTION NO. 3 – DELEGATION OF AUTHORITY

RESOLUTION OF _____
(name of governing body)

(name of agency)

WHEREAS, the _____ (herein referred to as Agency)
(name of agency)

is a contracting agency of the California Public Employees' Retirement System;

WHEREAS, the Public Employees' Retirement Law requires that a contracting agency determine whether an employee of such agency in employment in which he/she is classified as a local safety member is disabled for purposes of the Public Employees' Retirement Law and whether such disability is "industrial" within the meaning of such Law:

WHEREAS, _____ has determined upon legal
(name of governing body)

advice that it may delegate authority under Government Code Section 21173 to make such determinations to the incumbent of the office/position of _____;
(title)

NOW, THEREFORE, BE IT RESOLVED:

That the _____ delegate and it does hereby delegate
(name of governing body)

to the incumbent of the office/position of _____ authority to make
(title)

applications on behalf of the Agency pursuant to Government Code Section 21152 (c) for disability retirement of all employees and to initiate requests for reinstatement of such employees who are retired for disability;

BE IT FURTHER RESOLVED that _____ delegate and it
(name of governing body)

does hereby delegate to the incumbent of the office/position of _____
(title)

authority to make determinations of disability on behalf of the Agency under Government Code Section 21156 and whether such disability is industrial and to certify such determinations and all other necessary information to the California Public Employees' Retirement System.

SCHOOL MEMBERS AND LOCAL MISCELLANEOUS MEMBERS

APPLICATION PROCESS

The member or individual applying on the member's behalf, other than the employer, is responsible for forwarding all forms to the appropriate party(ies) for completion. (See Employer Originated Application section when applying on a member's behalf).

ESTIMATE

The member's first step should be to request a Retirement Estimate online. An online User ID and Password is required for CalPERS On-Line. Members can also download, complete, and submit the **CalPERS Retirement Allowance Estimate Request** form (MSD 470), available online. Alternatively, a request can be made by calling CalPERS at **888 CalPERS** (or 888-225-7377).

COMPLETE PACKAGE

In order for CalPERS to process a request for disability retirement, we must receive a "complete package" within 30 calendar days. If the member does not provide all the needed documents within this time period, CalPERS will cancel the member's application.

A complete package consists of:

- A completed **Disability Retirement Election Application** (PERS-BSD-369-D);
- A completed **Authorization to Disclose Protected Health Information** (PERS-BSD-35);
- A completed **Physician's Report on Disability** (PERS01M0051DMC) from a physician who specializes in the member's disabling condition. The physician must provide a diagnosis on the member's condition and include information about how it prevents the member from performing his/her job duties (an incomplete form will delay the review process);
- **Employer Information for Disability Retirement** (PERS01M0052DMC) and the duty statement; and
- A completed **Physical Requirements of Position/Occupational Title**

(PERS01M0050DMC) providing detailed information on the specific physical requirements of the member's position or occupational title.

- Job description/duty statement
- A completed **Workers' Compensation Carrier Request** (PERS-BSD-92) form from the insurance carrier with medical records attached relating to the claimed disability, if the member has a job related injury.

All the required forms are included in **A Guide To...Completing Your CalPERS Disability Retirement Election Application** (PUB-35). The member should read the entire publication prior to completing any forms so that the information submitted is complete and accurate. This will assist CalPERS in making a determination in a timely manner.

NOTE:

It is the member's responsibility to follow up with the employer, workers' compensation carrier, and treating physician(s) to ensure that the requested information is submitted to CalPERS.

APPLICATION

When the member submits the **Disability Retirement Election Application** (PERS-BSD-369-D), the following sections must be completed:

- Sections 1 – 8 and 10 & 11 — Completed by Member or someone on member's behalf.
- Section 2 — Member does not need to designate a retirement date to begin the process unless requesting a service pending disability or industrial disability retirement.
- Section 5 — Member must select an option. To make an informed decision, they must first request an estimate.
- Section 11 — Member's signature must be witnessed by a CalPERS representative or notarized.

DETERMINATION

The disability decision is based upon competent medical opinion. All medical and vocational, or non-medical information provided by the member, medical sources, employer and workers'

compensation carrier is evaluated. The determination is based on actual/present disability, not prospective inability to perform the job duties. In the event that medical information supplied to CalPERS is insufficient to make a determination, CalPERS may arrange an Independent Medical Examination.

NOTE:

Generally, the disability determination can be made within three to six months after CalPERS receives all required information for a complete package. However, if additional information is needed, this will extend the review process.

If the member is found to be disabled due to a mental disorder, competency will be decided based on medical opinion. Conservatorship or a valid "Power-of-Attorney" may be required before benefits are payable. For more information and instructions, please refer to the publication, **CalPERS Power of Attorney** (PUB 30).

RETIREMENT EFFECTIVE DATE

If the application was received within nine months after discontinuance of employment, the effective date of disability retirement will be the day following the last day of payroll.

In the case of an application for disability retirement filed with the Board more than nine months after discontinuance of the member's state service, the effective date of the application shall be determined in accordance with G.C. section 20160, or if no date is indicated, the effective date will be the first of the month the application is received.

If a member has been approved for disability retirement, the law states the member must be retired immediately. The member may, unless contrary to local rules or regulations, remain on pay status to use sick leave and/or compensating time off that a person is entitled to; entitlement is a matter that must be resolved by each employer.

MEMBER ALTERNATIVES FOLLOWING THE DISABILITY DETERMINATION

When the member has been found to be "disabled," the member will be notified of the finding and advised that he/she must be retired immediately. The member cannot cancel the

application for disability retirement after disability has been determined. However:

1. If the member is also eligible and applies to retire for service (prior to the effective date of retirement for disability or within 30 days of notification of disability retirement approval), the member may be retired for service.
2. The member may also elect to separate from employment and accept a refund of accumulated contributions in lieu of all future rights and benefits under the System.
3. The member may appeal the determination directly to the employer for local safety members and to CalPERS for miscellaneous members.

When the member has been found to be "not disabled" and the application is denied, the member will be notified of the finding and provided the opportunity to appeal the decision.

NOTE:

All appeals must be submitted in writing directly to CalPERS within 30 days from the date of the notification letter.

CalPERS is subject to the Administrative Procedures Act (APA) and the governing body of the contracting agency (or its authorized representative) acts as a delegate of the CalPERS Board of Administration in making the determination of substantial incapacity/disability. Therefore, the contracting agency is bound by the APA in the same manner as the CalPERS Board. So, in case of an appeal to the determination, the dispute must be heard by an administrative law judge of the State Office of Administrative Hearings.

The APA is set forth in the Government Code and the statutes describe the requirements and methods for conducting an administrative hearing. If the contracting agency determines that the member is not incapacitated for the performance of duty, it shall notify the member and CalPERS of this determination. The determination should be sent to the member by certified mail (return receipt requested) giving the member a specified time period in which to appeal and request a hearing. This is proper due process. Please refer to the APA Sample Procedural Resolution on the following pages.

SAMPLE APA PROCEDURAL RESOLUTION

RESOLUTION NO.

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF _____ ESTABLISHING A PROCEDURE FOR INDUSTRIAL DISABILITY RETIREMENT DETERMINATIONS OF LOCAL SAFETY OFFICER EMPLOYEES OF THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BE IT HEREBY RESOLVED by the City Council of the City of _____ that following the filing of an application for industrial disability retirement by a local Safety Officer under the California Public Employees' Retirement System the following procedures shall be employed:

1. An initial determination will be made by the City upon medical and other available evidence offered by either the applicant or the City to determine whether the applicant is incapacitated from the performance of duty. The determination shall be made within six months of the date of the receipt by the City from CalPERS unless this time requirement is waived in writing by the applicant. Said determination shall be made by (employer or other person such as risk manager, personnel director, etc.) designated by the (City Manager, City Council, Mayor, etc.).
 - A. If it is determined by the city that the applicant is incapacitated, and the incapacity is industrial, the city manager (or appropriate authority) will so certify to CalPERS.
 - B. If it is determined that the applicant is incapacitated but that the cause of incapacity is nonindustrial, the city manager (or appropriate authority) will so certify to CalPERS.
 - C. If it is determined that the applicant is incapacitated, but the applicant contends that the cause of disability is industrial, the applicant may petition the Workers' Compensation Appeals Board (WCAB) for a Finding of Fact determining causation. If the WCAB determines the cause of incapacity to be industrial, or nonindustrial, the City will so certify to CalPERS.
 - D. If the city determines that the applicant is not incapacitated from the performance of duty, it shall notify the applicant and CalPERS of this determination. The city shall notify the applicant by certified mail (return receipt requested) or by personal service of his/her right to appeal their decision and request a hearing within thirty calendar days of the notice.
2. If the applicant requests a hearing, the hearing shall be held in conformity with the Administrative Procedures Act. When an applicant requests a hearing, the city will notify CalPERS. The city will also notify the Office of Administrative Hearings and will request a hearing date and a prehearing conference with an Administrative Law Judge. The applicant will be informed that the hearing will be held at the time and place designated by the Office of Administrative Hearings which shall set a hearing date and pre-hearing conference.

SAMPLE APA PROCEDURAL RESOLUTION (continued)

The hearing shall be conducted before the (city manager, city council, personnel board, other designated fact finder, etc. as designated by ordinance) with the Administrative Law Judge acting as the presiding officer.

An administrative record shall be generated at the hearing pursuant to the Administrative Procedures Act. All testimony shall be recorded by a Certified Shorthand Reporter.

Following the hearing a decision and findings of fact will be made by (same as above, i.e., city manager, city council, personnel board, other designated fact finder, etc.). The decision and findings will be served on the applicant by certified mail and CalPERS will be notified.

OR

The hearing shall be conducted before the Administrative Law Judge alone.

An Administrative record shall be generated at the hearing pursuant to the Administrative Procedures Act. All testimony shall be recorded by a Certified Shorthand Reporter.

Following the hearing the Administrative Law Judge (ALJ) prepares a Proposed Decision. The decision will include a determination of issues, findings and summary of facts. The Proposed Decision will be reviewed by (same as above, i.e., city manager, city council, personnel board, other designated fact finder, etc.). The decision will be adopted by the city as its decision; or the city will reject the decision and make its own decision without hearing additional evidence; or the city will reject the ALJ decision based on additional evidence (additional hearing with ALJ to hear evidence). The decision and findings will be served on the applicant by certified mail and CalPERS will be notified. If applicant is found to be incapacitated the city shall so certify to CalPERS. If applicant is found not to be incapacitated the applicant will be further advised that he or she has thirty calendar days to seek judicial review. Such review is by means of filing a Petition for Writ of Mandate, CalPERS will be notified.

If applicant is found to be incapacitated the city shall so certify to CalPERS. If applicant is found not to be incapacitated the applicant will be further advised that he or she has thirty calendar days to seek judicial review. Such review is by means of filing a Petition for Writ of Mandate in the Superior Court of _____ County.

Upon receipt of notice that applicant has filed a Petition for Writ of Mandate in the Superior Court of _____ County, or upon expiration of thirty calendar days where applicant has not filed a Petition for Writ of Mandate, CalPERS will be notified.

Upon receipt of Writ of Mandate in the Superior Court of _____ CalPERS will be notified.

GENERAL DISABILITY CALCULATION

You can get an idea of what the member's monthly unmodified disability retirement allowance will be. To do so, you need to know three things:

- How many years of service credit the member has;
- The benefit factor (1.8 percent for public agency and school members, or 1.35 percent for the local 1.5 percent at 65 formula); and
- The final compensation and whether to figure it on a 12 or 36 month basis.

Find the benefit factor and years of service credit in the following groupings. Follow the instructions listed and fill in the worksheet.

LOCAL PUBLIC AGENCY AND SCHOOL MEMBERS

A Local Public Agency Miscellaneous or School Member must have at least five years of service credit to be eligible for disability retirement.

If the member has between 5 and 10 years, OR 18 ½ or more years of service credit, multiply the years of service by 1.8 percent to determine the percentage of final compensation.

If the member has between 10 and 18 ½ years of service credit, add to that figure the number of years until the member will be age 60 and multiply the TOTAL by 1.8 percent to determine the percentage of final compensation. (The maximum percentage allowable is 33 1/3 percent).

THEN

Multiply the percentage of final compensation by the highest consecutive 12 or 36 month average monthly salary to find the Unmodified Allowance. (If the member is eligible for service retirement, the member will receive the higher allowance payable, service or disability).

Figuring the Disability Allowance Worksheet

Years of Service	Benefit Factor	% of Final Compensation
_____	X _____%	= _____%
% of Final Retirement	Final Compensation	Compensation Allowance
_____%	X \$ _____	= \$ _____

OTHER LOCAL PUBLIC AGENCIES

If you contract for the 1.5 percent at 65 formula, the member must have five years of service credit to be eligible for disability retirement.

If the member has between 5 and 10 years, OR 24.692 or more years of service credit, multiply the years of service by 1.350 percent to determine the percentage of final compensation.

If the member has between 10 and 24.691 years of service credit, add to that figure the number of years until the member will be age 65 and multiply the TOTAL by 1.350 percent. (The maximum percentage allowable is 33 1/3 percent).

THEN

Multiply the percentage of final compensation by the highest consecutive 12 or 36 month average monthly salary (depending on employer's contract) to determine the Unmodified Allowance. (If the member is eligible for service retirement, the member will receive the higher allowance payable, service or disability).

CANCELLATION OF APPLICATION

If a member desires to cancel the disability retirement application, other than an employer originated application, the request must be made in writing. The member's signature is required.

A cancellation is binding; the member must thereafter re-apply whenever he/she is ready to retire. However, if the member is currently receiving service retirement benefits, the member cannot re-apply for disability or industrial disability retirement.

If the member has been found to be disabled, and the disability was approved, please refer to the Member Alternatives Following Disability Determination section for more information.

SUBROGATION

Under the law, if someone other than the employer caused an injury that results in disability retirement benefits being paid to the member, CalPERS has the right to recover up to one-half of the total retirement benefit costs from the responsible party. This is known as the "right of subrogation."

If the member pursues a claim against any person for the same injuries that also entitles the member to a disability retirement from CalPERS (other than a Workers' Compensation claim or an uninsured motorist claim), the member must inform CalPERS.

This is true even if the claim has not yet resulted in a court action. CalPERS has the right to participate in the claim through filing its own action against the responsible party, intervening in the claim, or filing a lien against any judgment recovered.

If such a claim is settled without notifying CalPERS, we may also be entitled to file a lawsuit against the member for recovery under our subrogation rights.

INSTRUCTIONS FOR COMPLETION OF THE PERS-BSD-194

Upon approval of an application for disability retirement by the System, the Benefit Services Division will require payroll information to begin disability retirement payments.

The ***Report of Separation and Advance Payroll Information*** (PERS-BSD-194) must be completed by the employer.

The first section is to be completed by the member:

Section 1 – Employing Agency and Member Information:

- Name of Employing Agency
- Member's name
- Social Security Number
- Retirement date requested by the applicant

The following three sections are to be completed by the employer:

Section 2 – Effective Separation or Termination Dates

- Separation Date
- Termination Date
- Last Day of on Pay Status
- Beginning and ending dates of leave of absence with compensation
- Explanation of the difference between the date of separation and last day on pay status, if any.

NOTE:

If a member retires on the day following the last day on the payroll, then the date of separation and the last day on the payroll will be the same date. If a member goes on leave of absence or is absent without leave, etc., at the time of retirement, then the date of separation and the last day on the payroll may not be the same.

Section 3 – Unused Sick Leave at Time of Separation

If the member has a sick leave balance that was not used at the time of separation from employment, report the total number of days, not hours, of unused sick leave.

Section 4 – Certification of Employer

- Signature of Payroll Officer
- Title
- Date
- Phone number

Immediately forward the original copy of the form PERS-BSD-194 to the Benefit Services Division. Failure to submit the form to the Benefit Services Division on a timely basis may result in a delayed warrant to the recipient.



Report of Separation and Advance Payroll Information

888 CalPERS (or 888-225-7377) • TTY for Speech and Hearing Impaired: (916) 795-3240

Employer: Please complete this form as soon as possible and return to CalPERS.

Section 1

Your cooperation in immediately providing an advance estimate of the requested information is critical for us to make accurate payment at the earliest possible date.

Employing Agency and Member Information

Name of Employing Agency

This member has applied for disability retirement.

Name of Member (First Name, Middle Initial, Last Name)

Social Security Number

Requested Retirement Date (mm/dd/yyyy)

Section 2

Last day on pay status will be upon expiration of accrued sick leave or compensated time off.

Effective Separation or Termination Dates

Separation Date (mm/dd/yyyy)

Termination Date (mm/dd/yyyy)

Last Day on Pay Status (mm/dd/yyyy)

Leave of Absence With Compensation

Beginning Date (mm/dd/yyyy)

Ending Date (mm/dd/yyyy)

Type of Compensation

Explain the difference between the date of separation and last day on pay status, if any.

Section 3

Unused Sick Leave at Time of Separation

Accumulated hours must be converted to **days** using the appropriate conversion factor applicable to each employee's Individual classification or position. Calculate to three decimal places.

Balance of unused sick leave hours at time of separation: _____ Hours ÷ 8 = _____ Days

Section 4

Certification of Employer

The above information is based on payroll information currently available.

Signature of Payroll Officer

Title

Date (mm/dd/yyyy)

Phone Number

Mail to:

CalPERS Benefit Services Division • P.O. Box 942711, Sacramento, California 94229-2711

EMPLOYMENT OF A RETIREE

GENERAL RULE

G.C. section 21220 provides that a person retired on service or disability, receiving a monthly allowance from this System, shall not, except as otherwise provided, be employed in any capacity thereafter by a CalPERS employer unless the member has first been reinstated from retirement.

Any person employed in violation of this Section shall be reinstated to CalPERS membership as of the date the unlawful employment began.

The person will be required to:

1. Reimburse CalPERS for any retirement allowance received during the period of employment in violation.
2. Pay CalPERS employee contributions that should have been paid during the period of unlawful employment, plus interest.
3. Pay toward reimbursement to CalPERS for administrative expenses incurred in handling the situation.

The employer who employs a retired person in violation of the law will be required to:

1. Pay CalPERS employer contributions, which should have been paid during the period of unlawful employment, plus interest.
2. Pay toward reimbursement to CalPERS for administrative expenses incurred in handling the situation.

EXCEPTIONS TO GENERAL RULE — TEMPORARY EMPLOYMENT

Under the following provisions, reinstatement from retirement is not required (except as noted), and no employee or employer contributions should be made to CalPERS. It is both the employer's and the employee's responsibility to monitor the employment to ensure the retired person does not exceed 960 hours in a fiscal year and the appointment is temporary.

ELIGIBILITY TO WORK FOR A CALPERS EMPLOYER AS A TEMPORARY APPOINTMENT OR RETIRED ANNUITANT

Temporary employment with a CalPERS employer is not allowed if the retiree is under

"normal retirement age" at retirement unless both of the following conditions are met:

1. There was no agreement to return to work as a retired annuitant between the member and the employer before the member retired, and
2. There is a bona fide break in service of 60 days between the member's retirement date and the date the retiree's employment will begin.

"Normal retirement age" is the age named in the member's retirement Benefit Formula. For example, the "normal retirement age" for a 2% @ 55 Benefit Formula is 55. However, if the member has more than one Benefit Formula, then the "normal retirement age" is determined and governed by the highest "normal retirement age".

Example: Joe Smith is a public agency/school miscellaneous member who retired June 30, 2010 at age 52 with 20 years of service. His benefit formula at retirement was 2% at 55. Because he has not reached his "normal retirement age" of 55, he must have a bona fide separation in service which means: (1) he and the CalPERS covered employer must not have had a predetermined agreement for him to return to work before his retirement, and (2) he must have a 60 day separation between his retirement date and the first day of employment as a retired annuitant.

This restriction is per G.C. section 21220.5 and was added to CalPERS law in 2004 to comply with IRS tax regulations prohibiting in-service distributions of pension benefits. The only exception to the G.C. section 21220.5 restrictions for retirees under normal retirement age is in emergency situations as defined in G.C. section 8558.

CalPERS auditors have incorporated this requirement into the random auditing criteria for employers. If the retiree is at or above the normal retirement age as noted above, G.C. section 21220.5 restrictions above do not apply.

A retiree may work for a CalPERS employer (an employer who contracts with CalPERS for retirement benefits) as a temporary employee (retired annuitant) only as specified in CalPERS law.

PUBLIC AGENCY EMPLOYERS

Any retired person may be employed by the appointing power of a CalPERS public agency employer, by temporary appointment to a position not to exceed 960 hours in any fiscal year for all such employers; either (1) during an emergency to prevent stoppage of public business or (2) because the retired employee has skills needed in performing the work of limited duration. The rate of pay for persons under this Section may not be less than the minimum, nor exceed that paid by the employer to other employees performing comparable duties (G.C. section 21224). There is no extension to the 960 hour maximum available for employment under this section.

SCHOOL EMPLOYERS

1. A retired person may be temporarily employed in a certificated position for the California School for the Deaf & Blind not to exceed 960 hours in a fiscal year (G.C. section 21225). There is no extension to the 960 hour maximum available for employment under this section.
2. A retired person may be employed in a non-academic position if appointed by a school employer or by the Trustees of the California State University because the retiree has skills needed in performing specialized work, of limited duration, which cannot exceed 960 hours in any fiscal year (G.C. section 21229). There is no extension to the 960 hour maximum available for employment under this section.

UNEMPLOYMENT BENEFITS AND RETIRED ANNUITANT EMPLOYMENT

Effective January 1, 2005, G.C. section 21224 was amended to prohibit a retired member from returning to retired annuitant employment with a public agency or state agency if during the prior 12-month period, the retired member received unemployment insurance compensation based on his/her prior retired annuitant employment with the same employer.

Effective January 1, 2007, G.C. sections 21225, 21226, 21227, and 21229 were amended. A retired member is prohibited from returning to retired annuitant employment in a certificated

position with the California Schools of the Blind and Deaf; a limited academic position with a Community College; University of California or California State University (CSU) or non-academic position with a School Employer or CSU; if during the prior 12-month period, the retired member received unemployment insurance compensation based on his/her prior retired annuitant employment with the same employer.

The intent of these amendments was to stop retired CalPERS members from collecting three public stipends: a retirement allowance, salary for work up to 960 hours per fiscal year, and unemployment insurance compensation after the 960 hour limit had been reached.

Public Agencies and School Employers may require retired members to provide them with a current Unemployment Insurance Benefit (UIB) printout from the Employment Development Department showing whether or not they have collected unemployment insurance within the last 12 months.

If a currently employed retired person is discovered to have received unemployment insurance compensation based on prior temporary employment with the same employer, the current employment must be terminated on the last day of the current pay period and the retired person shall not be eligible for reappointment for 12 months following the termination of the current employment (G.C. sections 21224, 21225, 21226, 21227, and 21229).

A violation of this provision will not result in automatic reinstatement from retirement for the retired person.

Questions regarding employment of a retired member should be directed to the Benefits Services Division through the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

JUROR OR ELECTION OFFICER

Any retired person may serve as juror or election officer and receive fees for such service (G.C. section 21221(c) - not subject to 960 hour rule).

SCHOOL CROSSING GUARDS

Any retired person may be employed as a school crossing guard (G.C. section 21221(b) - not subject to 960 hour rule).

SERVICE FOR LITIGATION

A retired former employee may be employed to prepare for potential or actual litigation or to testify in trial proceedings or at a hearing and be paid per diem and necessary travel expenses not to exceed the rate paid other persons for similar services. The per diem paid must be reduced by the daily equivalent of the retiree's retirement annuity. Contact the CalPERS Benefit Services Division (BNSD) to obtain the amount of the retiree's monthly annuity benefit (G.C. section 21223).

For a retired public agency employee and a retired school employee, this employment must be approved by the governing body of the CalPERS contracting agency. CalPERS considers the governing body of a school employer to be the County Office of Education.

EMPLOYMENT OF RETIRED SCHOOL TEACHERS BY SCHOOL DISTRICT

School districts considering employment of retired school teachers should refer to sections 45134, 45135, 59007, 59113, 88033, 88034 of the Education Code concerning the restrictions of such employment.

APPOINTIVE POSITIONS

1. The Governor, director of a State department, Speaker of the Assembly, the President pro Tempore of the Senate, or the governing board of a contracting agency, may appoint any retired member to serve as a member of any salaried or non-salaried board, commission or advisory committee (G.C. section 21221(a)).
2. The governing body of a contracting agency may appoint a retired person as an appointive member of the governing body; compensation for that office cannot exceed \$100.00 per month (G.C. section 21221(e)).

3. The Legislature, either house, or a legislative committee may appoint any retired person to a position deemed by the appointing power to be temporary in nature (G.C. section 21221(f)).
4. The governing body of a contracting agency may appoint a retired person to a position, found by resolution by its governing body to be available because of a leave of absence granted a person on payroll status, and found by the governing body to require specialized skills. This temporary employment shall terminate at the end of the leave of absence and cannot exceed a period of one year. Appointments under this section shall be reported to CalPERS and shall be accompanied by the resolution adopted by the governing body (G.C. section 21221(g)).
5. The governing body of a contracting agency may appoint a retired person to a position deemed by the governing body to be of limited duration and requiring specialized skills, or during an emergency to prevent stoppage of public business. If this appointment is expected to exceed 960 hours, the governing body of the contracting employer may request (for approval/denial) a one-time extension of the 960-hour limit. However, an appointment under this subdivision may not exceed a total of 12 months (G.C. section 21221(h)).

HOW TO REQUEST A G.C. SECTION 21221(h) EXTENSION FOR EMPLOYMENT

When a public agency appoints a retiree under this section and requests an extension, the governing body of the public agency employer must request the extension. When a school employer appoints a retiree under this section and requests an extension, the County Office of Education (not the school district) must request the extension. The request must be accompanied by a resolution, passed by the governing body of the employer. Please see the [sample language](#) in the appendix.

The request, addressed to the Benefit Services Division, and the resolution must be received before the retiree reaches his/her 960-hour limit. The following information must be included:

1. Name, social security number, title of position at retirement and CalPERS retirement date of the retired person,
2. The title of the position the retired person was appointed to under G.C. section 21221(h) and for which the extension is requested,
3. The appointment date of the temporary position (date the 960 hours began),
4. The approximate date on which the 960 hour maximum will be reached,
5. The specific reason(s) for the extension request; and
6. The number of additional hours of employment requested for the extension.
7. A copy of the employment agreement.

Questions regarding the employment of a retired person should be directed to the Benefit Services Division at **888 CalPERS** (or **888-225-7377**). Requests should be sent to:

CalPERS

Benefit Services Division
P.O. Box 942711
Sacramento, California 94229-2711

ELECTIVE POSITIONS

Any retired person may serve as an elective officer without reinstatement from retirement, however any part of the retirement allowance based on previous service in that same elected office shall be suspended during incumbency in such office (G.C. sections 21221(d), 21222).

EMPLOYMENT BY A NON-CALPERS EMPLOYER

A retired person receiving a monthly allowance from this System may be employed by any employer not participating with this System without being reinstated from retirement. A disability retirement pension (except in the case of Industrial Disability Retirement) may be subject to reduction during such employment, depending upon the salary of the new position, until the retired person attains the minimum age for voluntary service retirement applicable to the member's classification. It will be the responsibility of the retired person to report to

CalPERS any salary earned with a non-CalPERS employer.

A retired CSU academic may be employed with a school employer in a certificated STRS-qualified position without reinstatement (provided that they have never previously made a STRS-PERS election. Please see the section in this manual, **Membership Procedures-School Employment: CalPERS or CalSTRS**). There is no temporary employment or limited hour requirement for a CalPERS retiree working in a CalSTRS position.

EMPLOYMENT OF A RETIREE AS AN "INDEPENDENT CONTRACTOR"

Many "contracts" or "employment agreements" entered into by retired persons and employers to give the retired person the status of an "independent contractor", upon review by CalPERS, are found not to qualify the retired person as an independent contractor under California contract law.

If CalPERS determines the contract is not within the guidelines for an "independent contractor" after the retired person has entered into employment, the consequence of such employment is that the retired person may be "illegally hired" and, therefore, subject to mandatory reinstatement from retirement. Such reinstatement is retroactive to the start date of the illegal employment and the retiree is liable for reimbursement of all retirement allowances received during the period of illegal employment. In addition, administrative penalties will be assessed to the employer.

Therefore, the employer must submit the contract or employment agreement to CalPERS prior to the retiree accepting the employment. To request approval for employment of a retired person as an independent contractor, please submit your request along with a copy of the proposed contract or employment agreement and scope of duties to:

CalPERS

Benefit Services Division
P.O. Box 942711
Sacramento, California 94229-2711

Additional information regarding Independent Contractors can be found in the "Positions Excluded by Retirement Law" section, or call **888 CalPERS** (or **888-225-7377**).

EMPLOYMENT OR CO-EMPLOYMENT THROUGH A THIRD PARTY EMPLOYER (ALL RETIREES)

Before employing a retired member through a third party employer or temporary employment agency, please contact CalPERS. If the retired member will be an employee of the CalPERS employer under common-law principles, the retired member's employment could be subject to CalPERS restrictions, even if a third party employer pays the retired member's wage.

Direct specific questions about employment of a retiree through a third party employer or temporary employment agency to the Benefit Services Division at **888 CalPERS** (or **888-225-7377**) or by letter.

EMPLOYMENT OF A DISABILITY/INDUSTRIAL DISABILITY RETIREE

NOTE:

For Temporary employment not to exceed 960 hours, see Temporary Employment section under Exceptions to General Rule on previous page.

The Board may approve CalPERS re-employment without reinstatement for a member who is receiving a disability/industrial disability retirement allowance and who is offered a specific job in a position that is significantly different from that which the member retired. Such employment cannot begin prior to the Board's approval (G.C. section 21228).

To request re-employment approval, the employer retiree must submit the following:

1. The retired person needs to complete and sign Section 1 of the **Request to Work While Receiving Disability Industrial Disability Retirement Benefits** form (PERS07M0044DNC) provided in the publication, **Employment After Retirement** (PUB 33). An example of this form is in the appendix.
2. The prospective employer completes Section 2 of the request form, stating their "intent to hire" the retired person upon CalPERS approval. Attach a copy of the current job duty statement for the position which the retired person is requesting to work. Include the starting salary for the retiree and the salary range for the position. In addition, you

will be expected to notify CalPERS of any salary increase when paid to the retiree and all increases, such as cost-of-living adjustments, when applied to the salary range of the position.

If the retiree is to be promoted or changes positions, a new re-employment approval must be obtained prior to the position change, or the retiree may be subject to retroactive reinstatement from disability/industrial disability retirement and be liable for reimbursement of any retirement allowance paid.

3. The employer and member must complete, sign, and submit the **Physical Requirements of the Position/Occupational Title** form (PERS01M0050DMC) An example of this form is in the [Appendix](#).
4. Provide a medical report from the retired person's physician who specializes in the member's disabling condition stating that he/she has recently examined the retired person, reviewed the job duty statement, **Physical Requirements of the Position/Occupational Title** form, and finds the retired person is able to perform all tasks without restriction or limitation. CalPERS may require an independent medical evaluation to supplement the doctor's report. If so, CalPERS will select the physician, schedule the appointment, and pay for the examination.

Upon approval of the re-employment, the retired person will be required to report monthly earnings to CalPERS, as the disability retirement pension is subject to an earnings limit for as long as the employment continues.

NOTE:

No employee or employer contributions are made to CalPERS for these types of employment.

For specific questions concerning employment of a CalPERS retiree, please review the publication **Employment After Retirement** (PUB 33) available on the CalPERS Web site at **www.calpers.ca.gov** or contact CalPERS at **888 CalPERS** (or **888-225-7377**).



Request To Work While Receiving Disability / Industrial Disability Retirement Benefits

888 CalPERS (or 888-225-7377) • TTY for Speech and Hearing Impaired: (916) 795-3240

You must complete this form in order to request approval to work for a CalPERS employer in any permanent position while continuing your disability / industrial disability retirement benefits.

Section 1

Please clearly print the requested information.

A Physician's Report on Disability form is not required.

Be sure to have your employer fill out Section 2 on the reverse side of this form.

Local safety disability or industrial disability retirees must also submit the position duty statement and qualifying medical documentation used at the time of their retirement.

Member Certification

Name of Member (First Name, Middle Initial, Last Name)

Social Security Number

Address

City

State

ZIP Code

Country

()
Daytime Phone

()
Fax Number

E-Mail Address

I understand this is a formal request for permanent employment under Government Code Section 21228 and that my employment offer is contingent upon written approval from CalPERS. I must advise CalPERS of any changes to my salary or employment (for e.g. lateral transfer or promotion) and receive approval before beginning any new permanent position. A consequence of unlawful employment may result in mandatory reinstatement from retirement into the position I am currently working, retroactive to my hire date.

I also understand that the position I am applying for must be significantly different than the one from which I retired. I am subject to an earnings limitation so that the total of the pension portion of my retirement allowance and employment earnings will not exceed the current (gross) salary of the position from which I retired.

I have attached a position duty statement of the job and a completed *Physical Requirements of Position/ Occupational Title* form. I have also attached a current medical report completed and signed by a physician specializing in the condition for which I retired on disability/industrial disability retirement. The physician is a medical specialist who certifies that he/she has examined me, reviewed the attached position duty statement and *Physical Requirements of Position/Occupational Title* form and indicates whether or not I am able to perform all of the tasks without any restrictions or limitations.

Member Signature

Date (mm/dd/yyyy)

REINSTATEMENT FROM RETIREMENT

If you wish to hire a retired person in a permanent position, whether full-time or part-time, the retired person must reinstate from retirement into active CalPERS membership. A person on service retirement does not need approval prior to beginning active employment. However, to avoid an overpayment of retirement benefits and prevent payroll reporting problems for the employer, it is important to submit the ***Reinstatement from Service Retirement Application*** (PERS-BSD-145) timely.

NOTE:

A retired person on a disability or industrial disability must be approved for reinstatement prior to being hired as a regular employee.

The publication ***Reinstatement from Retirement*** (PUB 37) includes the reinstatement applications for retired members on service, disability or industrial disability retirement as well as additional information about the reinstatement process. The publication is available on the CalPERS Web site at **www.calpers.ca.gov** or by calling **888 CalPERS** (or 888-225-7377).

NOTE:

Please be aware that reinstatement to an employer other than the one the member retired from could change the benefits the member was previously entitled to receive. The member should contact the employer's personnel office and clarify any questions they have about health benefits, vision care, dental care and death benefits that they offer their employees and retirees.

Reinstatement from retirement affects the cost-of-living adjustment (COLA) benefits the member will be entitled to receive in the future. COLAs are determined based upon the year in which the member retires. Reinstatement will change the base year of the future retirement, and will therefore, also change the date the member will be entitled to begin receiving future COLAs. To be retired again following the member's reinstatement, they must submit a new application for retirement. The member should contact their employer's personnel office or CalPERS prior to retirement to obtain the correct application document.

SERVICE RETIREMENT

The Board, pursuant to the provisions of G.C. section 21196, may reinstate a person who has been retired under this System for service upon:

1. CalPERS receipt of the completed ***Reinstatement From Service Retirement Application*** (PERS-BSD-145) form. This form is enclosed in the ***Reinstatement From Retirement*** (PUB 37) publication.
2. The member is responsible for completing Sections 1 and 3. Section 2 must be completed by a Human Resource or Personnel representative of the employer certifying the start date or hire date of the permanent position.

A person who has been retired under this System for service, following an involuntary termination of the person's employment, and who is subsequently reinstated to such employment by action on or after October 1, 1965, pursuant to an administrative or judicial proceeding, shall be returned to employment status for the period specified by the judgment. The requirements of G.C. section 21196 shall not apply in this case (G.C. section 21198).

A person who has been retired under this System for service may be reinstated from retirement pursuant to this article without regard to the requirements of G.C. section 21196, upon the retiree's application to the Board, if upon reinstatement, the retiree will be appointed by the Governor to any state office or employment (G.C. section 21199).

When a person is reinstated from retirement, the retirement allowance is canceled and the retiree becomes a member of the System as of the date of reinstatement. The retiree's individual account shall be credited with the actuarial equivalent of the retiree's annuity at the date of reinstatement, not to exceed the amount of accumulated contributions at the date of retirement (G.C. section 21200).

DISABILITY/INDUSTRIAL DISABILITY RETIREMENT

A member retired for disability/industrial disability may request approval from CalPERS to reinstate to another CalPERS covered position.

1. The Board may require any member receiving a disability retirement allowance, under the minimum age for voluntary retirement for service, to undergo a medical examination. If the Board determines that such recipient is not incapacitated for duty, the agency shall be notified that such person is eligible for reinstatement to duty. The fact that the member was retired for disability does not prejudice any right to reinstatement to duty, which the member may claim. The member's disability retirement allowance will be canceled on the effective date of the employer's job offer (G.C. sections 21192 and 21193).
2. Any retiree may request approval from CalPERS to reinstate, whereby the retirement allowance is canceled and the member resumes active member status, including earning additional service credit towards his/her subsequent retirement.

To request approval, the employer and member must:

- Complete Sections 1 and 2 of the ***Request for Reinstatement from Disability/Industrial Disability Retirement*** form (PERS01M0036DMC) found in the ***Reinstatement from Retirement*** publication (PUB 37) and in the [Appendix](#);
- Provide a current job duty statement for the position, and complete the ***Physical Requirements of the Position/Occupational Title*** form (PERS01M0050DMC);
- Provide a medical report from the retired person's physician who specializes in the member's disabling condition stating that he/she has recently examined the retired person, reviewed the job duty statement, ***Physical Requirements of the Position/Occupational Title*** form, and finds the retired person is able to perform all tasks without restriction or limitation. CalPERS may require an independent medical evaluation to supplement the doctor's report. If so, CalPERS will select the physician, schedule the appointment, and pay for the examination.

If the member is requesting reinstatement into a different position from which they retired, the prospective employer must complete Section 3 stating their intent to hire the member upon CalPERS approval (G.C. sections 21192 and 21193).

If the member whose disability/industrial disability retirement has been canceled does not re-enter CalPERS covered employment, an amount which is the actuarial equivalent of the member's annuity at cancellation shall be credited to the individual account, and shall be refunded unless the member is eligible to elect, and does elect, to allow his/her accumulated contributions to remain in the retirement fund (G.C. section 21172).

ADDITIONAL INFORMATION FOR INDUSTRIAL DISABILITY

For reinstatement from Industrial Disability only, the member must:

- Check the box in Section 2

The prospective employer must:

- Complete Section 3 stating their intent to hire the member upon CalPERS approval (G.C. sections 21192 and 21193).

Upon subsequent retirement, the member's allowance will be recalculated based on the highest final compensation period during employment using the same benefit formula for industrial disability and adding an annuity for the additional time worked after reinstatement. If the member is eligible for a service retirement after the miscellaneous employment, the member may receive whichever allowance is greater, but will retain the industrial disability retirement classification (G.C. sections 21197 and 21200).

BENEFICIARY DESIGNATION (AFTER RETIREMENT)

NOTIFICATION OF CHANGE IN BENEFICIARY STATUS

It is important for a retired member to contact CalPERS to request a ***Changing Your Beneficiary or Monthly Benefit After Retirement*** (PUB 98) publication when any one of the following qualifying events occurs because his or her designated beneficiary's entitlement to certain CalPERS benefits could be affected:

- Marriage or domestic partnership of the retired member.
- Legal separation, dissolution or annulment of marriage or termination of domestic partnership of the retired member if initiated after the designation was filed.
- Birth or adoption of a child.

Should any one of these events occur, a retired member's existing beneficiary designation for the balance of Option 1 contributions, the lump sum death benefit, or the balance of Temporary Annuity payments are automatically revoked. Once the designation is revoked, lump sum benefits will be paid to the statutory beneficiaries in the following sequence:

1. To the retired member's spouse/domestic partner, or if none;
2. To the retired member's natural or adopted children, share and share alike, or if none;
3. To the retired member's parents, share and share alike, or if none;
4. To the retired member's brothers and sisters, share and share alike, or if none;
5. To the retired member's estate, if probated. If the estate does not require probate, but there is a trust, benefits will be paid to the trust. If there is no trust, benefits will be paid to the retiree's surviving next of kin in the order prescribed by law.

A retired member may designate a new beneficiary by obtaining a ***Changing Your Beneficiary or Monthly Benefit After Retirement*** (PUB 98) publication, which includes a ***Post Retirement Lump Sum Beneficiary Designation Form*** (PERS-BSD-509-P), and by returning the completed form to CalPERS. The publication is available on the CalPERS Web site at www.calpers.ca.gov or contact CalPERS at **888 CalPERS** (or 888-225-7377).

If the retired member wants his or her statutory beneficiary(ies) to receive the lump sum benefits payable, there is no need to file a PERS-BSD-509P. However, filing PERS-BSD-509P may help us locate the person(s) upon the member's death.

The member's spouse or domestic partner is required to sign the PERS-BSD-509P acknowledging the designation made by the retired member. If the retired member does not certify that they have no spouse/domestic partner or the document does not include the spouse/domestic partner signature, a justification for absence of spouse/domestic partner signature must be completed and submitted with their designation.

NOTE:

A retired member's designation and benefit entitlement to any lump sum death benefit may be impacted by any domestic relations court order, which awards a current or ex-spouse/domestic partner a community property interest in the retired member's CalPERS retirement account.

For an explanation of the limited situations under which retired members may change their optional settlement of beneficiary designation after retirement, please see the section entitled "Changing Your Retirement Option or Life Option Beneficiary."

A survivor or beneficiary who is receiving an allowance following the death of the retired member may designate a beneficiary to receive any unpaid allowance by requesting and filing a ***Designation for Beneficiary's or Survivor's Prorated Allowance*** (PERS-PRS-509B) form with CalPERS Benefit Services Division.

NOTE:

If a retired member marries or enters into a registered domestic partnership, the new spouse/domestic partner is not automatically entitled to a monthly death benefit. A retired member would have to modify the Option and name a new beneficiary. A modification will cause a reduction in the retired member's allowance to provide an ongoing allowance with health coverage to the new spouse or domestic partner. For more information, the retired member must read the ***Changing Your Beneficiary or Monthly Benefit After Retirement*** (PUB-98) publication. The publication is available on the CalPERS Web site at www.calpers.ca.gov or contact CalPERS at **888 CalPERS** (or 888-225-7377).

QUALIFYING FOR POP-UP BENEFITS

If the retired member elected the Option 2 or 3 benefit on or after January 1, 1990, the retired member's allowance will increase to a higher allowance, if one of the following events occurs:

- The retired member's beneficiary dies.
- The retired member's Option 2 or Option 3 beneficiary is the retired member's spouse/domestic partner and they divorce, legally separate, annul their marriage, or terminate their domestic partnership and they provide CalPERS with a copy of their judgment that awards the retired member the entire community property interest in their CalPERS benefits.
- The retired member's non-spouse/domestic partner beneficiary waives entitlement to the Option 2 or 3 benefit by filing a Non-Spouse/Domestic Partner Disclaimer of CalPERS Benefits form.

If the retired member elected the Option 2 or 3 benefit before January 1, 1990 and one of the three events listed above occurred less than 10 years following their retirement date, the retired member's allowance may be increased to the actuarial equivalent of the Unmodified allowance.

If the retired member elected the Option 2 or 3 benefit before January 1, 1990 and one of the three events occurred more than 10 years following their retirement date, the retired member is not entitled to an allowance increase.

There is no pop-up increase if the retired member elected Option 2W or 3W (W=waived pop-up).

If the retired member feels they are entitled to an increase, the retired member should request a ***Changing Your Beneficiary or Monthly Benefit After Retirement*** (PUB 98) publication, which contains a ***Request for Option 2 or 3 "Pop-Up" Increase Form***.

POP-UP EFFECTIVE DATE

BENEFICIARY DEATH

The retired member's allowance will increase to a higher allowance effective on the first of the month following their beneficiary's month of death.

DISSOLUTION OF MARRIAGE, LEGAL SEPARATION, ANNULMENT, OR TERMINATION OF DOMESTIC PARTNERSHIP

The retired member's allowance will be increased to a higher allowance effective the first of the month following our receipt of the judgment awarding them total interest in their CalPERS benefit.

NON-SPOUSE/DOMESTIC PARTNER BENEFICIARY DISCLAIMER

The retired member's beneficiary will be asked to sign a Non-Spouse/Domestic Partner Disclaimer of CalPERS Benefit form that will be provided by CalPERS upon request, which must be signed, notarized and approved by CalPERS.

The retired member's allowance will increase effective the first of the month following CalPERS receipt of the properly completed and notarized Non-Spouse/Domestic Partner Disclaimer of CalPERS Benefits form.

CHANGING BENEFICIARY DESIGNATIONS & MODIFYING YOUR LIFE OPTION AND/OR LIFE OPTION BENEFICIARY

A retired member who elected the Unmodified Allowance or Option 1 may change the beneficiary for the lump sum retired death benefit Option 1 or balance of Temporary Annuity at any time.

A retired member can also modify their current retirement election and name a new beneficiary for a lifetime option allowance after a qualifying event (as described below), and provided their

current lifetime option beneficiary is not a former or legally separated spouse/domestic partner who has community property interest in their CalPERS retirement benefit.

Electing a modification of option reduces the retired member's current allowance. The amount of the retired member's allowance reduction depends upon the retired member's age and the age of their new beneficiary at the time of the election. Modifying a retired member's option is also referred to as a "recalculation of option."

QUALIFYING EVENTS

The following are events that we allow the member to modify their allowance or retirement option and name a new beneficiary for a lifetime option benefit.

1. Death of Retirement Option Beneficiary

If the retired member elected:

- a. Unmodified Allowance or Option 1
 - The death of their beneficiary is not a qualifying event.
- b. Option 2, 2W, 3, 3W, or 4
 - The retired member can modify their election of the Option 2, 2W, 3, 3W, or 4 to another option other than the unmodified allowance and name a new beneficiary.

2. Retired Member's Marriage/Registered Domestic Partner

If the retired member elected:

- a. Unmodified Allowance
 - The retired member can modify their election of the Unmodified Allowance to an Option 1, 2, 2W, 3, 3W, or 4 and name their current spouse/domestic partner as beneficiary.
- b. Option 1
 - The retired member can modify their Option 1 to an Option 2, 2W, 3, 3W, or 4 and name their current spouse/domestic partner as beneficiary.
- c. Option 2, 2W, 3, 3W, or 4
 - If retired member has a former spouse/domestic partner and they are not the Option 2, 2W, 3, 3W, or 4 beneficiary, they can modify their

election to an Option 1, 2, 2W, 3, 3W, or 4 and name their current spouse/domestic partner as beneficiary. If the retired member named someone as their beneficiary for a lifetime option benefit and then later marries or enters into a domestic partnership with that same person, it would not be a qualifying event, since that person is already their lifetime option beneficiary.

NOTE:

If the retired member's former spouse/domestic partner is the retired member's beneficiary, see the Dissolution of Marriage, Legal Separation, Annulment or termination of domestic partnership.

3. Dissolution of Marriage, Legal Separation, Annulment or Termination of Domestic Partnership

If the retired member elected:

- a. Unmodified Allowance or Option 1
 - This is not a qualifying event.
- b. Option 2, 2W, 3, 3W, or 4
 - If the retired member's former or legally separated spouse/domestic partner is the Option 2, 2W, 3, 3W or 4 beneficiary and the dissolution/termination or legal separation judgment dividing the community property awards the member the entire interest in the CalPERS retirement, the beneficiary can be changed and the member can modify the election to an Option 1, 2, 2W, 3, 3W or 4 and name a new beneficiary.

NOTE:

If the retired member's former or legally separated spouse or domestic partner is their Option 2, 2W, 3, 3W or 4 beneficiary and the dissolution/termination or legal separation judgment dividing the community property does not award the retired member the entire interest in their CalPERS retirement, the retired member's former or legally separated spouse or domestic partner cannot be removed as beneficiary.

**4. Non-Spouse/Non-Domestic Partner
Beneficiary Disclaims Lifetime Allowance**

If the retired member elected:

- a. Unmodified Allowance or Option 1, 2, 2W, 3, 3W or 4
 - Regardless of what option the retired member chooses, a non-spouse/domestic partner beneficiary disclaimer is not a qualifying event for a modification of option. This simply means the non-spouse/domestic partner beneficiary relinquished their entitlement to CalPERS benefits.

If a retired member wishes to change their option and/or name a new beneficiary for lifetime option allowance, the retired member should request the ***Changing Your Beneficiary or Monthly Benefit After Retirement*** (PUB 98) publication which contains an ***Application to Modify Option and/or Life Option Beneficiary*** form (PERS-01MOO14-DMC). The publication is available on the CalPERS Web site at **www.calpers.ca.gov** or contact CalPERS at **888 CalPERS** (or 888-225-7377).

EFFECTIVE DATE FOR CHANGING AN OPTION

If the retired member made an election to change their option within 12 months of the qualifying event, the effective date is the first of the month following CalPERS receipt of their completed election document. Both the retired member and their new beneficiary must be alive on the effective date.

If the retired member makes an election to modify their option more than 12 months after the qualifying event, the modification will not become effective until 12 months after the election is made. Both the retired member and their new beneficiary must be alive on the deferred election effective date.

HEALTH INSURANCE

When a retired member considers a modification of retirement option, they need to remember that continuation of CalPERS health insurance coverage of a new spouse/domestic partner depends on their being enrolled as a dependent on the retired member's plan at the time of the retired member's death and the retired member made an election of option that provides the new spouse/domestic partner with a monthly allowance.

If a retired member has CalPERS health insurance, they must immediately notify CalPERS if they divorce, terminate a domestic partnership or suffer the death of a spouse, domestic partner or other dependent. Failure to make a timely notification may result in incorrect premium deductions from the retired member's monthly allowance.

DEATH OF A RETIREE

If you become aware of the death of a retiree, please contact CalPERS with the name, birth date, Social Security Number, and date of death of the deceased, as well as the names, relationships, and addresses of the next of kin. A written or telephone communication detailing this information is acceptable for death notification provided an official of the agency gives it. The form PERS-BSD-738 should NOT be submitted for a retired person's death.

INFORMATION FOR FAMILY OF DECEASED

When a CalPERS retiree dies, there are several important steps a spouse or family member can take to help assure prompt payment of any benefits payable by CalPERS. The first step is to notify CalPERS by telephone at **888 CalPERS** (or **888-225-7377**) or by letter at P.O. Box 1652, Sacramento, CA, 95811-1652. We will need the following information:

1. Name and Social Security Number of deceased retiree.
2. The date of death.
3. Name, address, and telephone number of person providing notice of death.
4. Name, address, and telephone number of surviving spouse/domestic partner, other next-of-kin, or the person whom will be settling the estate.
5. If applicable, Social Security Number of surviving spouse/domestic partner.
6. Date of birth of surviving spouse/domestic partner.
7. Date of marriage/registration of domestic partnership.
8. Whether or not surviving spouse/domestic partner is able to handle his/her own financial affairs.

The second step is to accumulate documentation. The System will ask for:

1. A photocopy of the certified death certificate with the member's Social Security Number written in the top right corner.
2. The name, address and phone number of the person handling the estate if the member's estate requires probate. Letters of administration must be submitted by the executor of the estate before benefits can be paid to the estate.

3. Other documents which are not included in the member file such as photocopies of marriage certificates, domestic partnership registration or birth certificates with Social Security Number.

The third step is completing the ***Application for Retired Member/Payee Survivor Benefits*** form that is sent by CalPERS. This form is used to determine whether any event has occurred to invalidate the beneficiary designation or to identify persons who might be beneficiaries by law. It is a formal application to receive payment of death or survivor benefits determined payable by CalPERS. The person completing this form is certifying that he/she is the person identified therein. This form should be completed in full and returned to CalPERS with the copies of the other documentation, (death certificate, marriage certificate, newspaper clipping, etc.) as quickly as possible. Enclosed with the ***Application for Retired Member/Payee Survivor Benefits*** form will be a ***Tax Withholding Election for Survivor Benefits*** form so an election may be made for Federal and State Tax withholding.

HEALTH INSURANCE

If the beneficiary or survivor is entitled to a monthly benefit and continued coverage under the Public Employees' Medical and Hospital Care Act, as administered by CalPERS, the coverage will be continued automatically. A ***Health Benefits Plan Enrollment Form*** (HBD-12) is completed by CalPERS and a copy will be sent to the beneficiary or survivor.

WARRANTS ISSUED AFTER RETIREE'S DEATH

All checks or retirement warrants issued (dated) after the retiree's death should be promptly returned to the System.* If funds have been transferred to a bank for direct deposit to the retiree's account, CalPERS will contact the bank directly regarding reimbursement to the System of the full amount of warrants issued after the retiree's death. Any allowance accrued but unpaid prior to the retiree's death will be paid to the eligible beneficiary.

* Unless the CalPERS representative specifically tells the surviving spouse or registered domestic partner that the payments do not need to be returned.

TAX AND INCOME REPORTING INFORMATION

STATEMENT OF BENEFITS PAID AND WITHHOLDING

In January of the year following payment, CalPERS provides each beneficiary with a statement showing the gross amount paid for benefits received and the amount of income tax withheld, if any. Most payments made by CalPERS are reported to the IRS and Franchise Tax Board. Questions about the taxability of CalPERS benefits should be directed to the IRS, the California Franchise Tax Board, or the beneficiary's tax advisor.

TAXPAYER IDENTIFICATION NUMBER

Section 6109 of the IRS Code requires recipients of reportable payments to furnish Taxpayer Identification Numbers (TINs). The beneficiary's Social Security Number (or Employer ID number, if a trust or organization) must be furnished to CalPERS, even if they are not required to file a tax return.

REFUND OF MEMBER CONTRIBUTIONS

MEMBER REFUNDS

Upon receipt of notice of an employee's permanent separation from CalPERS covered employment (either on PERS-AESD-1 form, or via the ACES system), an Options at Separation packet will be sent directly to the member. The packet contains a letter of instruction, tax information and the necessary form to request a withdrawal of contributions.

If the member is moving from one CalPERS covered employer to another, he or she may not receive a return of contributions. In addition, if the member is moving to any of the public funded retirement systems with which CalPERS has a reciprocal agreement, the member may not elect to withdraw his or her contributions. If the member is moving to a position covered under CalSTRS, Legislators' Retirement System, University of California Retirement Plan, or the Judges' Retirement Systems, he or she may not elect to refund.

- Should the member prefer to leave their funds in CalPERS, they need not respond. Their contributions will continue to earn interest at the current rate. As long as the contributions remain in CalPERS, an Annual Member Statement will be mailed to the current address on record. If the member has at least five years of service credit, he or she can apply for a retirement allowance at age 50 or older. In the year the member will attain age 70 ½, an election to either refund or retire must be made.

- Should the member prefer a refund of contributions, he or she will need to return the Refund Election Form directly to the Refunds Unit of CalPERS. The form is located on the CalPERS Web site and is also in the Options at Separation packet mailed to the member. The member can elect to withdraw his or her contributions as an in-hand distribution or as a rollover to an IRA or other qualified retirement plan.

A member refund will not be issued until a valid **Member Action Request** (PERS-AESD-1) form or ACES transaction separating the employee from employment has been received by CalPERS.

NOTE:

A member who is on an extended leave without pay or on a military leave may not receive a refund of their CalPERS retirement contributions. These types of refunds are considered "in service distributions," which are not allowed by the Internal Revenue Service.

THIS PAGE INTENTIONALLY LEFT BLANK

CALPERS PROGRAMS, CLASSES, AND WORKSHOPS

TABLE OF CONTENTS

<u>CalPERS Automated Communications Exchange System (ACES)</u>	236
<u>CalPERS Deferred Compensation Program</u>	238
<u>CalPERS Long- Term Care</u>	240
<u>California Employers' Retiree Benefit Trust (CERBT) Fund</u>	241
<u>CalPERS Member Home Loan Program</u>	243
<u>CalPERS Health Benefits (PEMHCA)</u>	244
<u>CalPERS Education and Events</u>	245

The information provided in this publication is for your convenience and reference as a general guide only and cannot be relied upon as an authoritative source for the law, practices, or policies of CalPERS. While CalPERS tries to include only accurate, timely and complete information in its publications, summaries, guidelines and other advisory printed materials, sometimes information provided in printed materials may be or become inaccurate, untimely, incomplete, unclear or misleading. In all instances, the law then in effect, not this publication, controls the application of the Public Employees' Retirement Law. It is the reader's responsibility to independently verify the accuracy of the information contained in this publication before engaging in a course of action.

CALPERS AUTOMATED COMMUNICATIONS EXCHANGE SYSTEM (ACES)

There are more than 2,600 state and public agencies in California that rely on the California Public Employees' Retirement System (CalPERS) to manage their retirement and health benefits.

CalPERS implemented an electronic system, which is free to all CalPERS business partners. The system provides a faster, more economical method for employers to exchange information.

The Automated Communications Exchange System — ACES — is a highly secure online system that provides employers the ability to exchange membership, health, and payroll information with CalPERS on a transactional basis. ACES can be accessed from an ordinary personal computer through an Internet web browser.

ACES consists of the following components:

INTERNET FILE TRANSFER

Employers can transmit health (HBD-12) and/or membership (PERS-AESD-1) files securely from their internal human resources systems to CalPERS for processing. This functionality allows employers to leverage their existing systems to exchange information with CalPERS.

INTERNET FORMS DATA ENTRY

Employers can enter health (HBD-12) and/or membership (PERS-AESD-1) data directly into online forms and securely submit them to CalPERS via the Internet. This functionality allows employers to submit individual transactions as needed rather than having to transmit an entire file.

PARTICIPANT INQUIRY

Employers and health benefit carriers can securely perform data queries via the Internet. This query functionality allows employers and carriers to verify enrollments and track changes.

ACCOUNT MANAGEMENT

Employers and health benefit carriers can establish and manage ACES user accounts. This functionality provides self-service capability that significantly streamlines the process of creating and maintaining user IDs and passwords.

ACES benefits California's public employers (and hence their employees) in many ways, such as:

SIMPLIFIED BUSINESS COMMUNICATION

Internet technology provides a common denominator allowing the broadest customer base possible to do business with CalPERS electronically.

ELIMINATING PAPER

State and public employers across California can now do business without sending a hard copy. Less manual processing of information results in fewer errors.

SPEEDING UP THE PROCESS

Prior to ACES, the multi-step process to provide a health card to a new enrollee took more than four weeks. Now, with ACES, health cards are delivered in a much shorter period of time. Members can more easily obtain medical care with a card in hand. In cases where medical care is needed before the card has arrived, health carriers need only query the ACES system to verify that the member has coverage.

REDUCED COSTS

No mailroom costs. No waiting. Fewer errors. ACES streamlines the overall process. Staff will no longer spend hours filling out forms by hand. Instead, staff can transmit enrollments and changes into CalPERS health and retirement programs directly.

SECURE ENVIRONMENT

ACES ensures that all personal employee information (social security numbers, addresses, etc.) remains confidential. When an employer signs up for ACES, they designate a security contact at their site that controls access. The employer can even have supervisors track and monitor all CalPERS transactions, including reviewing a log of all data transmissions.

IMPROVED PROCESSING TIME AND DATA QUALITY

ACES provides front-end edits (validations that prevent employers from entering incorrect or incomplete information) to ensure that the required data and specific health and membership values are supplied to properly process

transactions. This is a significant improvement over the manual process, where errors on paper forms had to be corrected and resubmitted, creating delays affecting both employers and CalPERS.

SELF-SERVICE CAPABILITIES

The account management subsystem has significantly streamlined the former 17-step process for creating user IDs and passwords. Each employer can now create and maintain user IDs for their staff with little or no involvement from CalPERS. The process now consists of three steps, reducing the time to request, create, and distribute account information from several weeks to two days.

EASILY TRACK AND MONITOR ACTIVITIES

All activities are logged to include the date, time, submitter, agency, and content of transmitted data. This becomes an online electronic record of data sent and received, eliminating manual record keeping both by employers and CalPERS while providing a mechanism to resolve errors and problems more quickly.

To sign up for ACES or find out more about ACES, please contact **888 CalPERS** (or **888-225-7377**) or visit our Web site at **www.calpers.ca.gov**.

CALPERS DEFERRED COMPENSATION PROGRAM

Deferred compensation is an employer-sponsored benefit that allows employees of an employer to defer a portion of pre-tax salary and direct how the deferral is invested. Both the deferral and the earnings on investment are shielded from income tax until the money is taken, usually in retirement.

Legislation enacted in 1991 granted the CalPERS Board authority to develop a deferred compensation program to offer to public agencies and their participating employees. This authority allows CalPERS to offer any federally sanctioned retirement savings plan, including a deferred compensation plan qualified under Section 457 of the Internal Revenue Code.

After three years of research and development, CalPERS developed a program that leverages the economies of scale inherent in the \$250 billion public retirement system. The CalPERS 457 Program provides state-of-the-art deferred compensation services at a low cost to participating public employees. All assets are held in trust for the exclusive benefit of participants by the CalPERS Board.

THE PROGRAM FEATURES

- Full trust protection
- Investment options designed specifically for retirement savings and managed under CalPERS supervision
- State-of-the-art customer services
- Comprehensive administrative services including custody, recordkeeping, management, and marketing
- A simplified fee structure

The core investment options include:

- Money Market Fund
- Stable Fixed Income Fund
- Bond Fund
- Actively Managed, Large Cap Equity Fund
- S&P 500 Equity Index Fund
- Actively Managed, Small Cap Equity Fund
- Russell 2000 Equity Index Fund
- International Equity Fund
- Asset Allocation Fund

The funds are invested by a combination of in-house staff and external investment managers currently affiliated with the retirement system. This capitalizes on CalPERS economies of scale by employing the investment management expertise of CalPERS staff, augmented by the use of external investment managers under CalPERS supervision. This allows the program to offer institutionally managed funds with significantly lower management fees, compared to retail mutual funds, and pass those savings along to participants. It also gives CalPERS overall control over the program and management of the funds.

FDIC-insured bank certificates of deposit (CDs) and access to over 5,000 retail mutual funds through a self-managed brokerage account (SMA) are also offered.

State Street Bank and Trust has been retained as the program administrator to provide custody, recordkeeping and general administrative services, including marketing, communications, enrollment, and customer service. Plan services are state-of-the-art and include:

- Daily processing and daily fund transfer capabilities.
- Live customer service representatives with full access to online information.
- Automated Voice Response System and Internet access allows transactions 24 hours a day to make changes to investments.
- Contributions and enrollments can be changed if the agency's payroll is automated.
- Educational and promotional materials for the employer and employee.
- Service representatives available to conduct meetings and enroll or counsel participants and employers at the employer's location.

The fee structure for the program is simple with no hidden charges. There are no front or back-end sales charges, transaction charges, or fixed fees. Depending on the specific investment funds selected by an individual, most participants will pay total fees of less than 1 percent.

Administration Fees:		
	Plan Administration Fee:	.26% of assets

Investment Advisory Fees:		
	Stable Fixed Income Fund	.25% of assets
	Money Market Fund:	.29% of assets
	Bond Fund	.29% of assets
	S & P 500 Equity Index Fund	.09% of assets
	Large Cap Equity Fund	.63 % of assets
	Russell 2000 Equity Index Funds	.23% of assets
	Small Cap Equity Fund	.68% of assets
	International Equity Fund	.68% of assets
	Asset Allocation Fund	
	Conservative Portfolio	.6795% of assets
	Moderate Portfolio	.6443% of assets
	Aggressive Portfolio	.6696% of assets
Investment Management Subtotal		.09% to .68%

For further information please call **888 CalPERS** (or **888-225-7377**).

CALPERS LONG-TERM CARE

CalPERS has been offering a self-funded long-term care program since January 1995. All California public employees and retirees, their siblings (age 18 & older), spouses, parents and parents-in-law are eligible to apply for coverage under the CalPERS Long-Term Care Program.

There are three basic plans: (a) CalPERS Comprehensive; (b) CalPERS Nursing Home/Assisted Living Facility Only (NH/ALF); and (c) CalPERS Partnership. The most prominent features of these plans are:

Plan Types	Comprehensive		NH/ALF Only		Partnership	
Plan Option	100	130	100	130	100	130
Total Coverage Amount	Lifetime or \$109,500	Lifetime or \$142,350	Lifetime or \$109,500	Lifetime or \$142,350	\$36,500 or \$73,000	\$47,250 or \$94,500
Nursing Home/ day	\$100	\$130	\$100	\$130	\$100	\$130
Assisted Living/ day	\$50	\$65	\$50	\$65	\$50	\$65
Home Care/ month	\$1500	\$1950	Not Avail	Not Avail	\$1500	\$1950
Deductible Period	90 days	90 days	90 days	90 days	30 days	30 days

Inflation Protection is an optional feature that can be either: (1) built-in 5% compounded annually; or (2) a periodic increase that is offered every 36 months. Under the Partnership plan, built-in 5% compounded annually inflation protection is mandatory.

A special feature of the Program is a Care Adviser who is available to assist the member with developing a "Plan of Care" which best meets their long-term care services needs.

All of CalPERS plans are tax-qualified, meaning that benefits received are non-taxable and premiums may be partially deducted if one itemizes their income taxes and meets certain requirements.

All of CalPERS plans are portable, meaning that if a member changes jobs or moves out of state, all coverage remains in force as long as the plan premium is paid when due.

Premiums are based on the enrollee's age on the day his/her application is received and are designed to stay level throughout the member's participation in the Program. Since these plans are not-for-profit, premiums are generally less than comparable commercially offered plans.

Premium payments for active employees and spouses can be by payroll deduction. Retirees and their spouses can have premiums deducted from their pension benefits. The premium payment for siblings, parents, and parents-in-law will be by direct billing or electronic funds transfer (EFT).

Premiums are waived once a member starts receiving benefits from the Program.

For Customer Service or Claims Eligibility questions, please call (800) 982-1775.

Application Periods for the CalPERS Long-Term Care Program generally run from April through June of each year depending on CalPERS Board of Administration approval. Employees can call (800) 908-9119 to request an application kit.

For employer information and educational materials regarding the CalPERS Long-Term Care Program, employers should call (888) 651-8801.

CALIFORNIA EMPLOYERS' RETIREE BENEFIT TRUST (CERBT) FUND

CalPERS is pleased to announce the formation of the California Employers' Retiree Benefit Trust (CERBT) Fund – an investment vehicle that can be used by employers that contract with CalPERS for employee health benefits to prefund future retiree health and Other Post Employment Benefit (OPEB) costs.

OVERVIEW

The CERBT Fund is a new fund - a Section 115 Trust - set up for the purpose of receiving employer contributions that will prefund health and other post-employment benefit costs for retirees and their beneficiaries. By joining this new trust fund, CalPERS PEMHCA employers can help finance future costs in large part from the investment earnings provided by CalPERS. Just as earnings from invested retirement contributions cover \$3 of every \$4 spent in pension benefits, this new trust will generate significant revenues to apply toward OPEB obligations.

WHY PREFUND?

- Prefunding enables you to make actuarially determined periodic contributions to partially or completely fund your future obligations.
- Earnings on assets reduce employer contributions.
- Investment return assumptions, known as discount rate assumptions, will be higher, making the annual required contribution and unfunded liability lower.
- May prevent your net OPEB obligation from becoming a significant liability on your balance sheet.
- Can contribute to a positive credit rating.
- Enhances financial security for retirees.

BENEFITS OF INVESTING WITH CALPERS

- 75 years experience in administering employer-sponsored pension plans for public employees since 1932.
- CalPERS is the largest public pension system in the U.S., managing more than \$180 billion in assets for more than 2,600 California employers and a history of exceptional risk-adjusted investment performance.
- CalPERS has an outstanding record of investment performance. Over the past 20 years, CalPERS has averaged a 10 percent rate of return on our investments.
- Low administrative fees.
- CalPERS management fees are lower than private sector fees. For example, the average annual cost of managing the CalPERS pension fund is 0.25 percent of assets over the past 10 years. Private firms may charge 1 percent or more. Lower management fees mean your trust fund assets grow faster.
- Fully dedicated employer service specialists and quality customer service.
- CalPERS has a seasoned team of investment professionals with a proven track record and is dedicated to meeting the needs of our participants and beneficiaries, while minimizing the cost to employers

INFORMATION FOR NON-PEMHCA AGENCIES

AB 554 (Chapter 318, statutes of 2007) became law on January 1, 2008. California public employers can join the California Employers' Retiree Benefit Trust (CERBT) to prefund OPEB obligations:

- Local government employers can participate in the fund even if they are not currently affiliated with CalPERS.
- The requirement to contract for health benefits through CalPERS has been dropped.

CERBT FUND WORKSHOPS

Register to attend a CERBT Fund Workshop to learn about our new trust fund and other services we offer to prepare you to measure, report, and prefund OPEB liabilities. The following subjects are covered in the workshop:

- GASB 45 reporting requirements
- The implicit rate subsidy
- CalPERS services
- Pending legislation to allow all California government agencies the opportunity to participate in the CERBT fund
- The contract agreement
- Steps required to participate in the CERBT fund

For more information on the California Employers' Retiree Benefit Trust call CalPERS at **888 CalPERS** (or 888-225-7377) or visit the CalPERS Web site at **www.calpers.ca.gov**.

CALPERS MEMBER HOME LOAN PROGRAM

MEMBER HOME LOAN PROGRAM

On December 15, 2010, the CalPERS Board of Administration approved the suspension of the CalPERS Member Home Loan Program. New applications will no longer be accepted.

For questions regarding current CalPERS Member Home Loans, please contact the loan service provider.

For more information, call **888 CalPERS** (or **888-225-7377**) or visit the CalPERS Web site at **www.calpers.ca.gov**

CALPERS HEALTH BENEFITS (PEMHCA)

The CalPERS Health Benefits Program is governed by the Public Employees' Medical and Hospital Care Act (PEMHCA) of the California Public Employees' Retirement Law. The program was established in 1962 to purchase health care for employees of the State of California, including the California State University System (CSU). In 1976, legislation was passed to allow other public employers, such as cities, counties, and school districts, to join the program. Currently, CalPERS provides health benefits to over 1.2 million covered lives.

State, CSU, and contracting Public Agencies must offer all eligible active and retired employees an opportunity to enroll in a CalPERS health plan of their choice. All employers are required by statute to contribute towards the cost of the health plan premium. Premiums and health plan benefits are approved annually by the CalPERS Board of Administration.

The CalPERS Health Benefits Program offers a choice of health plans to provide Basic coverage to active employees and Supplement to Medicare and Managed Medicare coverage for retired members. Eligible enrollees can choose between a variety of Health Maintenance Organizations (HMOs), Preferred Provider Organizations (PPOs), and employee association plans.

HMOs

CalPERS offers several HMOs, each serving specific geographic areas. Except for out-of-area emergencies, HMO members receive all their care from HMO doctors with a small co-payment for most services and supplies.

PPOs

CalPERS offers two self-funded PPO plans – PERSCare and PERS Choice. These plans offer a PPO network through Blue Cross of California, with nationwide affiliations. Plans offer out-of-area and worldwide coverage.

EMPLOYEE ASSOCIATION PLANS

CalPERS offers employee association health plans. An enrollee must belong to the specific employee association and pay applicable dues to enroll in one of these plans.

For further information on the CalPERS Health Benefits Program, you may contact the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**) or visit the CalPERS Web site at **www.calpers.ca.gov**.

CALPERS EDUCATION AND EVENTS

EMPLOYER WORKSHOPS

The Employer Education and Communication Services Unit of the Customer Service and Outreach Division provides annual countywide employer workshops.

The Employer Education and Communication Services Unit provides special requested workshops for new contracting agencies and for those agencies that need additional assistance with CalPERS membership and/or payroll reporting responsibilities.

Employer Representatives serve as your liaison with CalPERS. They can answer many of your questions or direct you to the appropriate staff at CalPERS who will be able to assist you at the very technical level.

To reach a representative, contact CalPERS **888 CalPERS** (or **888-225-7377**) or visit the CalPERS Web site at **www.calpers.ca.gov** for more information.

CALPERS ANNUAL EMPLOYER EDUCATIONAL FORUM

CalPERS holds a three-day Employer Educational Forum every Fall. The Forum provides the opportunity to get the most up-to-date CalPERS information, attend workshops, and talk to CalPERS Board members and staff at this event focused entirely on employer topics. Registration materials are generally mailed in August.

If you have not attended this popular event before and would like to be placed on our direct mailing list, please e-mail your request to calpers_conference@calpers.ca.gov.

CALPERS EDUCATION CENTER

The CalPERS Education Center is a personalized, centralized, and secure online service that allows you to enroll in employer training classes, employer sponsored classes, and member retirement planning classes. Available to both employers and members, the CalPERS Education Center offers both online and instructor-led classes on a variety of retirement

related topics. You and your employees can download class materials and view your education history or classes we're offering at locations near you.

Enroll online through the CalPERS Education Center at **www.calpers.ca.gov**. You can also call the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

DISABILITY RETIREMENT WORKSHOPS

CalPERS Customer Service and Outreach Division sponsors the Benefit Services Division, Disability Section, who conduct Disability Retirement workshops. The three-hour workshop is an interactive process intended to benefit the Human Resources personnel, Return-To-Work Coordinators, Health & Safety Officers, Risk Managers, and other interested employer and employee representatives. These workshops provide information on all aspects of disability and industrial disability retirement, local safety, reinstatement, employment after retirement issues, and include Q & A opportunities.

For workshop registration and further information, contact CalPERS at **888 CalPERS** (or **888-225-7377**).

MEMBER EDUCATION

Our member education classes provide your employees with valuable information about their CalPERS membership benefits, savings and health programs, and available online resources.

EMPLOYER SPONSORED RETIREMENT PLANNING WORKSHOPS FOR MEMBERS

Regional Office staff will conduct Employer Specific Retirement Planning Workshops at the employer's facility. The presentation will be customized with explanations of the benefits that are contracted for by the employer.

To reach a representative, contact CalPERS **888 CalPERS** (or **888-225-7377**) or visit the CalPERS Web site at **www.calpers.ca.gov** for more information.

EMPLOYER-SPONSORED RETIREMENT PLANNING CLASSES FOR MEMBERS

CalPERS Regional Office staff conduct employer-sponsored retirement planning classes at the employer's facility. The class provides customized explanations of the employee benefits offered by the employer. A minimum audience of 20 is recommended to request an employer-sponsored class. If the audience will be less than 20, please contact CalPERS.

To request an employer-sponsored class, call CalPERS at **888 CalPERS** (or **888-225-7377**).

SCHEDULE OF CLASSES

Class schedules are established twice a year, in April and October. The schedules are available from the CalPERS Education Center at **www.calpers.ca.gov**. Active member class schedules are regularly provided to the Human Resources Divisions of all CalPERS employers.

RETIREMENT CLASSES FOR MEMBERS

CalPERS Regional Office staff conduct Retirement Planning Classes throughout California to help members prepare for retirement. We offer five classes based on a member's career life cycle. All five classes are available as in-person classes or online classes.

NEW CALPERS MEMBER

This class is for members who are new to the CalPERS system. Members receive an overview of CalPERS programs and benefits.

CONTINUING CALPERS MEMBER

This class is for members who are not yet ready to retire but want more information about CalPERS benefits and programs.

PLANNING YOUR RETIREMENT

This class is for members nearing retirement and is designed to help members plan and prepare for retirement.

COMPLETING YOUR RETIREMENT APPLICATION

This class is for members who are ready to retire. It provides detailed information on the step-by-step process of filling out the retirement application.

RETIRED CALPERS MEMBER

This class is for members who have already retired. The class provides retirees with information about CalPERS programs and provides a refresher on retirement benefits.

HOW TO ENROLL

Enrollment is on a first-come, first-served basis and is free to all members and their spouses. To enroll in any of our classes, visit the CalPERS Education Center online at **www.calpers.ca.gov**. Log into my|CalPERS, select "My Education", then "Select a Class" to find a date and time near you. You can also enroll by calling CalPERS at **888 CalPERS** (or **888-225-7377**).

CALPERS WEB SERVICES, FORMS, AND PUBLICATIONS

TABLE OF CONTENTS

CalPERS Web Services	248
Ordering Forms and Publications	249
List of CalPERS Publications	250
CalPERS Forms Referenced in this Manual	25F

The information provided in this publication is for your convenience and reference as a general guide only and cannot be relied upon as an authoritative source for the law, practices, or policies of CalPERS. While CalPERS tries to include only accurate, timely and complete information in its publications, summaries, guidelines and other advisory printed materials, sometimes information provided in printed materials may be or become inaccurate, untimely, incomplete, unclear or misleading. In all instances, the law then in effect, not this publication, controls the application of the Public Employees' Retirement Law. It is the reader's responsibility to independently verify the accuracy of the information contained in this publication before engaging in a course of action.

CALPERS WEB SERVICES

CalPERS On-Line provides instant access to general CalPERS information for members, employers, and the public.

Look on the Internet for **CalPERS On-Line** at www.calpers.ca.gov. **CalPERS On-Line** highlights information about CalPERS retirement plans, health benefit programs, and pension fund investments. Agencies refer to the comprehensive “Employer Information” area to find the following information:

- ACES
- Actuarial Information
- CalPERS Retirement Calculation Information
- Circular Letters
- Employer Education
- Employer Forms and Publications
- Employer Rates
- Health Benefits Information
- Membership, Payroll & Compensation Information

The *Employer Information* section also provides information about how to contact CalPERS.

CalPERS strives to provide useful information to members, employers, and the public in a quick, easily accessible format through the Web site.

CalPERS On-Line supplements the existing telephone and in-person services at our headquarters and regional offices.

If you have any comments or suggestions for the *Employer Information* section of the Web site, please e-mail CalPERS through the online “Ask CalPERS” service or call CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

CALPERS EMPLOYER eBULLETIN

CalPERS Employer eBulletins provide the latest news and information regarding Circular Letters, Board of Administration information, and other communications, tailored specifically for employers via email. Agency personnel (i.e., accounting and payroll staff, health benefits officers, city managers, etc.), administrators, and other interested parties can all benefit from this service by receiving CalPERS Employer eBulletins directly in their email box as soon as news is released. Each CalPERS Employer eBulletin comes in a plain text format for easy viewing and email retrieval and contains direct links to the actual employer information on the CalPERS Web site.

You can sign up for CalPERS Employer eBulletins on the CalPERS Web site at www.calpers.ca.gov.

CIRCULAR LETTERS

Circular Letters are issued to keep you informed of changes in policies and procedures. These letters provide important documentation to reference when working on CalPERS issues. Circular Letters are mailed to employers, but you can also receive an email informing you of the release of a new letter by subscribing to CalPERS Employer eBulletins. **CalPERS On-Line** has an archive of letters going back to 1996. You can search by date or key word to find the information you need.

GET READY FOR MY | CALPERS WITH PERT

See how my|CalPERS will provide employers the freedom to manage their own Health and Retirement Enrollment, Payroll Contributions, and Supplemental Income Plans.

Our Public Employer Readiness Team (PERT) is dedicated to helping employers learn how they will benefit from the transition to this new technology. Visit the PERT Web area at www.calpers.ca.gov/pert or email them with your questions at PERT4U@calpers.ca.gov for more information.

ORDERING FORMS AND PUBLICATIONS

Forms and publications are available for downloading from the CalPERS Web site, By following the instructions below:

- Access **CalPERS On-Line** at **www.calpers.ca.gov**
- Select the “For Employers” tab
- Select your employer type button
- Select “Next” at the bottom
- Select “Confirm”
- From the menu on the left, select “Forms & Publications Directory” hyperlink

If you need assistance, please call:
CalPERS Customer Contact Center
888 CalPERS (or **888-225-7377**)
(916) 795-3005 (Fax)

ORDERING FORMS AND PUBLICATIONS

CalPERS forms and publications are available for download from **CalPERS On-Line**. They are also available in hardcopy. To order supplies in bulk, please use one of the following methods:

Mail to: (using letterhead from your agency)
CalPERS
Attn: Public Agency Requests
P.O. Box 942715
Sacramento, CA 94229-2715

Fax to:
CalPERS
Public Agency Requests
(916) 795-3281

Telephone:
Public Agency Requests
(916) 795-1493
8:30 am — 5:00 pm

E-mail:
Public_Agency_Requests@CalPERS.ca.gov

Please include your agency name, agency address, agency telephone number (with area code) and CalPERS employer code, for shipping purposes. Also include the form/ publication number, title, number of units ordered and unit of measure for each item ordered, with each request.

If you do not receive your order within 15 days of submitting your request, please contact the Public Agency Request Unit at (916) 795-1493.

SIZE OF ORDER

When ordering supplies, please limit your order to a six-month supply only. The system keeps a record of the supply needs of each agency. If an excess number of forms or publications are ordered, the Supply Section will reduce the order to the maximum allowed for your agency.

LIST OF CALPERS PUBLICATIONS

PUBLICATIONS

Your Benefits Your Future — School Benefits	PUB-2
Your Benefits Your Future — State Miscellaneous & Industrial Benefits	PUB 6
Your Benefits Your Future — State Safety Benefits	PUB 7
Your Benefits Your Future — Local Miscellaneous Benefits	PUB-8
Your Benefits Your Future — Local Safety Benefits	PUB-9
Your Benefits Your Future — National Guard Benefits	PUB-11
A Guide to Your Service Credit Purchase Options	PUB-12
Temporary Annuity	PUB-13
When You Change Retirement Systems	PUB-16
Retirement Option 4	PUB-18
CalPERS. When You Need Us. (Member)	PUB-24
The Power Of Attorney	PUB-30
Retired Member Death Benefits	PUB-31
Direct Deposit of Your Monthly Benefit	PUB-32
Employment After Retirement	PUB-33
A Guide to Completing Your CalPERS Disability Retirement Election Application	PUB-35
Understanding CalPERS	PUB-36
Reinstatement From Retirement	PUB-37
A Guide to Completing Your CalPERS Service Retirement Application	PUB-43
A Guide to Completing Your CalPERS Non-Member Service Retirement Election Application	PUB-44
CalPERS. When You Need Us. (For Employers)	PUB-47
Connecting Employers to CalPERS	PUB-48
State Miscellaneous & Industrial Benefit Election Package	PUB-52
Changing Your Beneficiary or Monthly Benefit After Retirement	PUB-98

CALPERS FORMS REFERENCED IN MANUAL

The forms on the following pages are referenced in this edition of the CalPERS Public Agency Procedures Manual. Although these forms were current as of the printing of this Manual, forms are subject to revision. These forms are included only as examples. You may find copies of these forms on the CalPERS Web site, www.calpers.ca.gov, or by calling **888 CalPERS** (or 888-225-7377).

Form Name	Form Number
Member Action Request	PERS-AESD-1
Report of Separation and Advance Payroll Information	PERS-BSD-194
Beneficiary Designation Form	PERS-BSD-241
Justification for Absence of Spouses or Registered Domestic Partner's Signature	PERS-BSD-800
Disability Retirement Election Application	PERS-BSD-369-D
Service Retirement Election Application	PERS-BSD-369-S
Birth Date Discrepancy	PERS-MEM-12
Request for Service Credit Cost Information – Service Prior to Membership, CETA & Fellowship Service	PERS-MSD-370
Request for Service Credit Cost Information – Leave of Absence	PERS-MSD-371
Request for Service Credit Cost Information – Layoff, Prior Service & Optional Member Service	PERS-MSD-372
Physical Requirements of Position/Occupational Title	PERS01 M0050 DMC
Employer Information for Disability Retirement	PERS01 M0052 DMC
Separation/Disposition of CalPERS Contributions	PERS-STD-687
Refund Election Form	PERS01 M0349 DMC

The below items, discussed at greater length in the Manual, can be found on the following pages:

Form Name	Form Number	Page
Member Action Request Form	PERS-AESD-1	45
Election of Optional Membership	PERS-AESD-59	49
Authorization for Contribution and/or Rate Adjustment	PERS-MEM-823a	65
Payroll Reporting Pre-List	PERS-AESD-625A	135
Report for Separation for Death — Request for Payroll Information	PERS-BSD-738	182
Member Acknowledgement Letter	PERS-BSD-451A	189
Notice of Benefit Approval	PERS-BSD-11	190
Account Detail Information Sheet	PERS-BSD-11A	191
Notice of Placement on Retirement Roll	PERS-BAS-62	192
Requested Employer Certification	PERS-BSD-200	193
Amended Employer Certification	PERS-BSD-200A	194



P.O. Box 942709
Sacramento, CA 94229-2709
Telephone (888) 225-7377
FAX (916) 795-3287
TDD (916) 795-3240

(Please PRINT or TYPE clearly)

INCOMPLETE OR IMPROPERLY COMPLETED FORMS MAY BE RETURNED TO YOU

Member Action Request

1 SOCIAL SECURITY NUMBER - -			2 Current Name (First, Middle, Last)			3 Daytime Phone Number (
4 Date of Birth MM DD YYYY			5 Gender <input type="checkbox"/> Female <input type="checkbox"/> Male <input type="checkbox"/> Unknown			6 Former Name - For name changes only (First, Middle, Last)		
7 Mailing Address: In Care of (if applicable): Street/P.O. Box: Additional Address Line: City: State CA ZIP Code: -						8 Remarks (pertaining to CalPERS)		
9 Employer Name								
10 Effective Date of Action MM DD YYYY			11 Subject to Section 20306 <input type="checkbox"/> Yes <input type="checkbox"/> No			12 Employer Code		
						13 District Code (Schools only)		
						14 Hire Date MM DD YYYY		

15 Type of Action (check all boxes that apply for this Effective Date; if none apply, indicate action needed in "Remarks" [#8] above):

- | | | |
|---|---|--|
| A. <input type="checkbox"/> Appointment/Membership | E. <input type="checkbox"/> Military Leave | I. <input type="checkbox"/> Alternate Retirement Plan (G.C. 20306) |
| B. <input type="checkbox"/> Return from Leave | F. <input type="checkbox"/> Worker's Comp Leave | J. <input type="checkbox"/> Name Change |
| C. <input type="checkbox"/> Separation, Permanent | G. <input type="checkbox"/> Sabbatical Leave | K. <input type="checkbox"/> Address Change |
| D. <input type="checkbox"/> Separation, Temp (\geq 2 months) | H. <input type="checkbox"/> Maternity/Paternity Leave | L. <input type="checkbox"/> Coverage Group Change |

16 Coverage Group	17 Job/Position Title	18 $\frac{1}{2}$ @ 55 Formula Cont. Rate: %
--------------------------	------------------------------	---

19 ☐ - This person is an Optional Member (e.g., "Elective Officer," "Legislative Employee") who is electing membership.
(Please attach appropriate election form AESD-3, AESD-59, or AESD-229)

20 BASIS FOR MEMBERSHIP QUALIFICATION: (Optional informational field. Check appropriate box.) <input type="checkbox"/> Full-Time for > 6 months <input type="checkbox"/> Part-Time for \geq 20 hours for 1 year or more <input type="checkbox"/> Indeterminate; at least 20 hours a week for 1 year or more <input type="checkbox"/> Has completed 1,000 hours or 125 days in fiscal year <input type="checkbox"/> Person is already a PERS member
--

21 Form Completed By:

(Name & Title)

(Telephone Number)

(Fax Number)

(Date)

(Signature of Certifying Officer)

(Date)

PERS-AESD-1 (02/2002)



Report of Separation and Advance Payroll Information

888 CalPERS (or 888-225-7377) • TTY for Speech and Hearing Impaired: (916) 795-3240

Employer: Please complete this form as soon as possible and return to CalPERS.

Section 1

Your cooperation in immediately providing an advance estimate of the requested information is critical for us to make accurate payment at the earliest possible date.

Employing Agency and Member Information

Name of Employing Agency

This member has applied for disability retirement.

Name of Member (First Name, Middle Initial, Last Name)

Social Security Number

Requested Retirement Date (mm/dd/yyyy)

Section 2

Last day on pay status will be upon expiration of accrued sick leave or compensated time off.

Effective Separation or Termination Dates

Separation Date (mm/dd/yyyy)

Termination Date (mm/dd/yyyy)

Last Day on Pay Status (mm/dd/yyyy)

Leave of Absence With Compensation

Beginning Date (mm/dd/yyyy)

Ending Date (mm/dd/yyyy)

Type of Compensation

Explain the difference between the date of separation and last day on pay status, if any.

Section 3

Unused Sick Leave at Time of Separation

Accumulated hours must be converted to **days** using the appropriate conversion factor applicable to each employee's individual classification or position. Calculate to three decimal places.

Balance of unused sick leave hours at time of separation: _____ Hours ÷ 8 = _____ Days

Section 4

Certification of Employer

The above information is based on payroll information currently available.

Signature of Payroll Officer

Title

Date (mm/dd/yyyy)

Phone Number

Mail to:

CalPERS Benefit Services Division • P.O. Box 942711, Sacramento, California 94229-2711



BENEFICIARY DESIGNATION

PERS-BSD-241 (Revised 12/04)

TO: CalPERS/ Benefit Services Division
P.O. Box 942711
Sacramento, CA 94229-2711
Fax: (916) 795-3933
Phone: (888) CalPERS (225-7377)

MEMBER'S FULL NAME (PLEASE PRINT)	SOCIAL SECURITY NUMBER	BIRTH DATE	TELEPHONE NUMBER
-----------------------------------	------------------------	------------	------------------

I understand that if I am married or in a registered domestic partnership but do not name my spouse or domestic partner as beneficiary, she/he may still be entitled to a community property share of my 'Lump Sum Contributions' or a share of any monthly allowance that may be payable. My 'Non-Spouse or Non-Partner' designated beneficiaries will receive the portion of my lump sum benefits, which are not payable to my spouse or domestic partner as his/her community property share. I further understand that if my death is determined to be "Industrial," special death benefits will be paid in the manner prescribed by law. If no percentage (%) is given, the applicable benefits will be paid SHARE AND SHARE ALIKE.

PRIMARY BENEFICIARIES

FIRST NAME	MIDDLE NAME	LAST NAME	%	RELATIONSHIP TO MEMBER	SOCIAL SECURITY NUMBER
ADDRESS (Number and Street)		(City)		(State)	(Zip Code)
FIRST NAME	MIDDLE NAME	LAST NAME	%	RELATIONSHIP TO MEMBER	SOCIAL SECURITY NUMBER
ADDRESS (Number and Street)		(City)		(State)	(Zip Code)
FIRST NAME	MIDDLE NAME	LAST NAME	%	RELATIONSHIP TO MEMBER	SOCIAL SECURITY NUMBER
ADDRESS (Number and Street)		(City)		(State)	(Zip Code)

In the event that I survive the person(s) named above, I hereby designate the following person(s) who survive me, as BENEFICIARIES. If no percentage (%) is given, benefits will be paid SHARE AND SHARE ALIKE.

SECONDARY BENEFICIARIES

FIRST NAME	MIDDLE NAME	LAST NAME	%	RELATIONSHIP TO MEMBER	SOCIAL SECURITY NUMBER
ADDRESS (Number and Street)		(City)		(State)	(Zip Code)
FIRST NAME	MIDDLE NAME	LAST NAME	%	RELATIONSHIP TO MEMBER	SOCIAL SECURITY NUMBER
ADDRESS (Number and Street)		(City)		(State)	(Zip Code)

Should I survive all of the persons named above, I understand that the benefits payable on account of my death will be paid to my statutory beneficiaries, or to such other beneficiary or beneficiaries that I may hereafter designate in writing to the Board of Administration, all in accordance with the applicable provisions of law.

BY THIS BENEFICIARY DESIGNATION, I HEREBY REVOKE ANY PREVIOUS DESIGNATION I HAVE FILED. I UNDERSTAND THAT MY MARRIAGE OR REGISTERED DOMESTIC PARTNERSHIP, DISSOLUTION OR ANNULMENT OF MY MARRIAGE OR DOMESTIC PARTNERSHIP, OR THE BIRTH OR ADOPTION OF A CHILD OR TERMINATION OF MEMBERSHIP SUBSEQUENT TO THE DATE I FILE THIS FORM WITH CALPERS, WILL AUTOMATICALLY VOID THIS DESIGNATION. HOWEVER, A DESIGNATION FILED AFTER THE INITIATION OF A DISSOLUTION/ANNULMENT OF MARRIAGE OR REGISTERED DOMESTIC PARTNERSHIP IS NOT REVOKED WHEN THE DISSOLUTION/ANNULMENT IS FINALIZED.

Signatures Required

Are you legally married or have a registered domestic partner? ☐ No ☐ Yes

If yes, your spouse or registered domestic partner must sign this form

If no, please indicate: ☐ Never married/or Never in Domestic Partnership ☐ Divorced/Annulled ☐ Widowed

IMPORTANT – You must complete the BSD-800 on the reverse side of this form if you are married or have a registered domestic partnership but your spouse or domestic partner is unable to sign below.

MEMBER SIGNATURE: _____ Date: _____

MEMBER ADDRESS: _____
 (Number and Street) (City) (State) (Zip Code)

SPOUSAL/REGISTERED DOMESTIC PARTNER ACKNOWLEDGEMENT: By signing this beneficiary designation form, I acknowledge the information entered by my spouse/domestic partner.

SPOUSE/DOMESTIC PARTNER SIGNATURE: _____

INFORMATION AND INSTRUCTIONS FOR CalPERS BENEFICIARY DESIGNATION FORM

If you die before you retire, the Public Employees' Retirement Law provides for payment of specific Death Benefits to your surviving beneficiaries. Please see your personnel officer for a description of the benefits. The benefits are payable to the following beneficiaries:

- A. If you are a safety member and your death is job-related, or if you are not a safety member but you are fatally attacked while performing your official job duties, the Special Death Benefit may be payable. This benefit is payable by law to your surviving spouse/registered domestic partner (whether or not you were still living together at the time of your death) or, if none, to your unmarried children/step-children under age 22, whether or not you have filed a beneficiary designation.
- B. If you are eligible for retirement or you are a State member with at least 20 years of State service credit, a monthly death benefit allowance may be payable. If you do not have a valid beneficiary designation on file, the benefits will be payable to your surviving spouse/registered domestic partner to whom you have been married to or in a partnership with for either one year or prior to the onset of the injury or illness that resulted in death. Or, if there is no eligible surviving spouse/registered domestic partner, the allowance will be payable to your unmarried minor children, if any.

If you *do have* a valid beneficiary designation on file your spouse/registered domestic partner may still be entitled to a community property share of your lump sum contributions or monthly death benefit allowance. However, your non-spouse/non-domestic partner designated beneficiaries will receive the portion of your lump sum benefits which are not payable to your spouse/registered domestic partner as his/her community property share.

- C. If A and B do not apply and *there is no* valid Beneficiary Designation on file at the time of death, the benefits will be payable to your survivors in the following order:

1. Your surviving spouse/registered domestic partner (whether or not you were still living together at the time of your death); or, if none
2. Natural and adopted children, including (in limited situations) a natural child adopted by another, share and share alike; or, if none,
3. Parents, share and share alike; or if none,
4. Brothers and sisters, share and share alike, or if none,
5. Your estate (if probated, or subject to probate), or if not,
6. Your trust (if one exists), or if not,
7. Stepchildren, share and share alike, or, if none,
8. Grandchildren, including step-grandchildren, share and share alike, or, if none,
9. Nieces and nephews, share and share alike, or, if none,
10. Great-grandchildren, share and share alike, or, if none,
11. Cousins, share and share alike.

If A and B do not apply and *there is* a valid Beneficiary Designation on file at the time of death, the benefits will be payable to the beneficiary(ies) you designate on the form. **However, if you are married or have a registered domestic partner at the time of death, your spouse/domestic partner may still be entitled to a community property share of your lump sum contributions.**

- D. You may designate or change your beneficiaries at any time by completing another Beneficiary Designation form. You may name as beneficiary any person or persons, a corporation or your estate. Payment will be made to your estate only if probated. You may designate a trust as your beneficiary; however, you must provide the name of the trust, the date of the trust, and the name and address where the trust is filed. It is not necessary to provide the name of the trustee. **Reminder: If you are married or in a domestic partnership at the time of your death and you do not name your spouse/domestic partner as beneficiary, he/she may still be entitled to a community property share of your lump sum contributions or a share of any monthly allowance that may be payable.**
- E. Your Beneficiary Designation will be revoked automatically, and benefits will be payable to the closest survivor listed in section C, if any of the following events occur after your designation form is received by CalPERS:
 1. Marriage/Registration of Domestic Partnership; or
 2. Dissolution or annulment of your marriage/domestic partnership. However, a designation filed after the initiation of a dissolution/annulment of marriage or domestic partnership is NOT revoked when the dissolution/annulment is finalized; or
 3. Birth or adoption of a child; or
 4. Termination of membership that results in a refund of your contributions.

INSTRUCTIONS (See Reverse Side of This Page)

INSTRUCTIONS

1. Print clearly with ball point pen or type all information requested. If you make an error, make the necessary correction by lining through the error and initialing the change. No erasures or correction fluid will be accepted.
2. Enter on the form the full name of your beneficiaries, relationship, social security number (if known), and the complete address for each. (If the form does not provide enough space, you may attach additional sheets provided you indicate whether you are designating "primary" or "secondary" beneficiaries. You must sign, date, and write your social security number at the top of each additional sheet.)
3. If a (%) is entered make sure the total equals 100%.
4. Your spouse/registered domestic partner must sign the form to acknowledge the names of the beneficiaries you are designating. **IMPORTANT:** If you are unable to obtain your spouse's/domestic partner's signature, you **MUST** complete the BSD-800, "Justification for Absence of Spouse or Domestic Partner's Signature" form, on the reverse side of the designation form or your designation form may be rejected.
5. Enter the date you signed the form and your current mailing address.
6. Mail the completed form to the Public Employees' Retirement System at the address shown, or you may fax it to (916) 795-3933.
7. After CalPERS receives and reviews the form a confirmation letter will be mailed to you within 6 weeks. If the form is not acceptable a new form will be mailed to you to complete.

IMPORTANT INFORMATION

The Information Practices Act of 1977 and the Federal Privacy Act require the California Public Employees' Retirement System to provide the following information to individuals who are asked to supply information. The information requested is collected pursuant to the Government Code Sections (20000, et seq.) and will be used for administration of the Board's duties under the Retirement Law, the Social Security Act, and the Public Employees' Medical and Hospital Care Act, as the case may be. Failure to supply all of the requested information may result in the System being unable to perform its functions regarding your status. Portions of this information may be transferred to: state and public agency employers, California State Attorney General, Office of the State Controller, Teale Data Center, Franchise Tax Board, Internal Revenue Service, Workers' Compensation Appeals Board, State Compensation Insurance Fund, County District Attorneys, Social Security Administration, beneficiaries of deceased members, physicians, insurance carriers, and various vendors who prepare microfiche/microfilm for CalPERS. Disclosure to these parties is done in strict accordance with current statutes regarding confidentiality.

You have the right to review your membership files maintained by the California Public Employees' Retirement System. For questions concerning your rights under the Information Practices Act of 1977, please contact the Information Practices Act Coordinator, CalPERS, P.O. Box 942702, Sacramento, CA 94229



Benefit Services Division
P.O. Box 942711
Sacramento, CA 94229-2711
(888) Cal-PERS (225-7377)
TDD - (916) 795-3240; FAX (916) 795-3933

JUSTIFICATION FOR ABSENCE OF SPOUSE OR REGISTERED DOMESTIC PARTNER'S SIGNATURE

Pursuant to Government Code Section 21261, the member's current spouse or registered domestic partner must be made aware of the selection of benefits or change in beneficiary made by the member. The spouse or domestic partner of a CalPERS member must acknowledge the submission of a request for refund of contributions; election of retirement optional settlement; and designation of beneficiary for Pre-retirement Death Benefits.

If a spouse or domestic partner's signature does not appear on one of the above-mentioned documents, the following information **MUST** be completed by the member and submitted with the application/form.

MEMBER'S NAME (TYPED OR PRINTED)	SOCIAL SECURITY NUMBER
APPLICATION SUBMITTED	
BENEFICIARY DESIGNATION (PERS-BSD-241)	

Select either 1 or 2 and indicate specifics:

1. ☐ By checking this box, I indicate that I am not legally married or in a registered domestic partnership because:
 - ☐ Never married or never in registered domestic partnership.
 - ☐ Divorced/marriage annulled or domestic partnership terminated. _____
Date (mm/dd/yyyy)
 - ☐ Widowed. _____
Date (mm/dd/yyyy)
2. ☐ By checking this box, I indicate that I am married or have a domestic partner, but my spouse or domestic partner did not sign this form because:
 - ☐ I do not know and have taken all reasonable steps to determine the whereabouts of my spouse or domestic partner, **OR**,
 - ☐ My spouse or domestic partner has been advised of the application and has refused to sign the written acknowledgement; **OR**
 - ☐ My spouse or domestic partner is incapable of executing the acknowledgement because of an incapacitating mental or physical condition; **OR**,
 - ☐ My spouse or domestic partner has no identifiable community property interest in the benefit, **OR**,
 - ☐ My spouse or domestic partner and I have executed a marriage settlement or partnership agreement that makes the community property law inapplicable to the marriage or partnership.

I certify under penalty of perjury that the foregoing information is true and correct.

MEMBER'S SIGNATURE	DATE SIGNED
--------------------	-------------



Disability Retirement Election Application

888 CalPERS (or 888-225-7377) • TTY for Speech and Hearing Impaired: (916) 795-3240

Employer Information

☐ Check if this is an employer-originated application.

Employer must fill out and sign Section 12 on the last page of this application.

Application Type

☐ Disability Retirement

☐ Industrial Disability Retirement

☐ Service Pending Disability Retirement

☐ Service Pending Industrial Disability Retirement

Section 1

Please provide your name as it appears on the Social Security card.

Please display all dates in this order: month/day/year.

Information About You

Name of Member (First Name, Middle Initial, Last Name) Social Security Number
Address
City State ZIP Country
Birth Date (mm/dd/yyyy) Gender ☐ Male ☐ Female Home Phone Work Phone

Section 2

Please do not abbreviate your employer or position.

Do not list Social Security, military or railroad retirement as a California public retirement system.

Retirement Information

Retirement Date (mm/dd/yyyy)
Employer Position Title
Do you have any final compensation period higher than the last consecutive 12 or 36 months?
☐ No ☐ Yes, from Beginning Date (mm/dd/yyyy) to Ending Date (mm/dd/yyyy)
Are you a member of a California public retirement system other than CalPERS? ☐ No ☐ Yes, provide:
Name of System
Date of Retirement (mm/dd/yyyy) Beginning Service Credit Date (mm/dd/yyyy) Ending Service Credit Date (mm/dd/yyyy)

Section 3

Local safety members should not complete Sections 3 & 4.

Workers' Compensation Information

Workers' Compensation Carrier
Name of Adjuster Phone Number
Address
City State ZIP
Claim Number(s) Relating to Alleged Disability Date of Injury (mm/dd/yyyy)

Put your name and Social Security number at the top of every page.

Your Name

Social Security Number

Section 4

Please complete all the questions below. If you need additional space, attach separate sheets and be sure to include your name and Social Security number on all sheets.

Disability Information

What is your specific disability; when and how did it occur?

What is the complete name and address of your treating physician(s)?

Name of Treating Physician

Medical Record Number

Address

City State ZIP Phone Number

What are your limitations/preclusions due to your injury or illness?

How has your injury or illness affected your ability to perform your job?

Are you currently working in any capacity (full-time, part-time, or modified work)? If yes, please explain.

Other information you would like to provide.

Did a third party cause your injury? ☐ No ☐ Yes (If yes, CalPERS has a potential "right of subrogation.")

Put your name and
Social Security number
at the top of every page.

Your Name

Social Security Number

Section 5

Select only one payment
option: Option 1, Option 2,
Option 2W, Option 3,
Option 3W, the Unmodified
Allowance Option, or one of
the Option 4 types.

These options apply
to Option 4 **Individual
Lifetime Beneficiary** only.

This option applies to
Option 4 **Multiple Lifetime
Beneficiaries** only.

These options apply to
Option 4, **Court Ordered
Community Property** only.

Select Your Retirement Payment Option and Beneficiary

By filling out this section, you are electing your Retirement Payment Option and designating your beneficiary. Once you select a payment option, you cannot change to another option. Along with your option selection, you must complete at least one of the beneficiary designations in Sections 5a-5d. If you choose the Unmodified Allowance Option, you do not need to specify a beneficiary. Please refer to the detailed instructions in this publication for more information.

- ☐ **Option 1** - To complete this option choice, you must also fill out Section 5d, *Balance of Contributions Beneficiary(ies)*.
- ☐ **Option 2** - To complete this option choice, you must also fill out Section 5a, *Individual Lifetime Beneficiary*.
- ☐ **Option 2W** - To complete this option choice, you must also fill out Section 5a, *Individual Lifetime Beneficiary*.
- ☐ **Option 3** - To complete this option choice, you must also fill out Section 5a, *Individual Lifetime Beneficiary*.
- ☐ **Option 3W** - To complete this option choice, you must also fill out Section 5a, *Individual Lifetime Beneficiary*.
- ☐ **Unmodified Allowance Option** - If you select this option there is no return of your member contributions and no monthly benefits payable upon your death - except the Survivor Continuation benefit, if applicable. There is no beneficiary designation for this option.

- ☐ **Option 4, Individual Lifetime Beneficiary** - If you select this option, you must also select one of the following Individual Lifetime Beneficiary options below.

- ☐ **Option 2W & Option 1 Combined** - To complete this option choice, you must also fill out Section 5a, *Individual Lifetime Beneficiary* and Section 5d, *Balance of Contributions Beneficiary(ies)*.
- ☐ **Option 3W & Option 1 Combined** - To complete this option choice, you must also fill out Section 5a, *Individual Lifetime Beneficiary* and Section 5d, *Balance of Contributions Beneficiary(ies)*.
- ☐ **Specific Dollar Amount to Beneficiary** \$ _____ - To complete this option choice, you must also fill out Section 5a, *Individual Lifetime Beneficiary* Dollars
- ☐ **Specific Percentage to Beneficiary** _____ % - To complete this option choice, you must also fill out Section 5a, *Individual Lifetime Beneficiary* Percent
- ☐ **Reduced Allowance for Fixed Period of Time** _____ through _____
Percent or Dollars Date (mm/yyyy)
- ☐ **Reduced Allowance upon death of retiree or beneficiary:** \$ _____ reduction amount
Dollars

If you are naming a beneficiary under this option, you must also fill out Section 5a, *Individual Lifetime Beneficiary*.

- ☐ **Option 4, Multiple Lifetime Beneficiaries** - To complete this option choice, you must also fill out Section 5b, *Option 4 Multiple Lifetime Beneficiaries*.

- ☐ **Option 4, Court Ordered Community Property** - If you select this option, you must also complete Section 5c, *Court Ordered C.P. Beneficiary* and select one of the following Court Ordered Option 4 Community Property options.

- ☐ **Option 4/Unmodified** - There is no additional beneficiary designation for this option.
- ☐ **Option 4/1** - To complete this option choice, you must also fill out Section 5d, *Balance of Contributions Beneficiary(ies)*.
- ☐ **Option 4/2W** - To complete this option, you must also fill out Section 5a, *Individual Lifetime Beneficiary*.
- ☐ **Option 4/3W** - To complete this option, you must also fill out Section 5a, *Individual Lifetime Beneficiary*.

Put your name and Social Security number at the top of every page.

Your Name

Social Security Number

Section 5a

Designate one beneficiary and provide all of that person's information including full name.

Option 2, 2W, 3, 3W or 4 Individual Lifetime Beneficiary

Complete this section only if you chose either Option 2, 2W, 3, 3W or Option 4 Individual Lifetime Beneficiary or Option 4/2W or 4/3W Court Ordered Community Property.

Name (First Name, Middle Initial, Last Name) Social Security Number

Birth Date (mm/dd/yyyy) Gender ☐ Male ☐ Female Relationship to You

Address

City State ZIP Country

Section 5b

If you want your beneficiaries to receive an equal share of your benefits, do not specify a dollar or percentage of benefit.

Option 4 Multiple Lifetime Beneficiaries

Complete this section only if you selected Option 4 Multiple Lifetime Beneficiaries.

Name (First Name, Middle Initial, Last Name) Social Security Number

Birth Date (mm/dd/yyyy) Gender ☐ Male ☐ Female Relationship to You Dollar/Percent of Benefit

Address

City State ZIP Country

Name (First Name, Middle Initial, Last Name) Social Security Number

Birth Date (mm/dd/yyyy) Gender ☐ Male ☐ Female Relationship to You Dollar/Percent of Benefit

Address

City State ZIP Country

Name (First Name, Middle Initial, Last Name) Social Security Number

Birth Date (mm/dd/yyyy) Gender ☐ Male ☐ Female Relationship to You Dollar/Percent of Benefit

Address

City State ZIP Country

Section 5c

List only the Option 4 beneficiary that is required by your court order.

Court Ordered Option 4 Community Property Beneficiary

Complete this section only if you selected Option 4 Court Ordered Community Property.

Name (First Name, Middle Initial, Last Name) Social Security Number

Birth Date (mm/dd/yyyy) Gender ☐ Male ☐ Female Relationship to You

Address

City State ZIP Country

Put your name and Social Security number at the top of every page.

Your Name _____ Social Security Number _____

Section 5d

Designate up to three beneficiaries here. If you want to designate more than three beneficiaries. See page 23 for information on completing the **Lump Sum Beneficiary Designation** form.

Option 1 Balance of Contributions Beneficiary(ies)

Complete this section only if you selected **Option 1**, **Option 4-2W/1** or **3W/1** combined. You may change this beneficiary(ies) at any time. This designation automatically revokes when there is a change in your marital status, domestic partnership status, or when there is a birth or adoption of a child. Please refer to the detailed instructions in this publication for more information.

Name (First Name, Middle Initial, Last Name) _____ Social Security Number _____

Birth Date (mm/dd/yyyy) _____ Gender ☐ Male ☐ Female Relationship to You _____

Address _____

City _____ State _____ ZIP _____ Country _____

Name (First Name, Middle Initial, Last Name) _____ Social Security Number _____

Birth Date (mm/dd/yyyy) _____ Gender ☐ Male ☐ Female Relationship to You _____

Address _____

City _____ State _____ ZIP _____ Country _____

Name (First Name, Middle Initial, Last Name) _____ Social Security Number _____

Birth Date (mm/dd/yyyy) _____ Gender ☐ Male ☐ Female Relationship to You _____

Address _____

City _____ State _____ ZIP _____ Country _____

Section 6

All Applicants must complete this section.

Designate your beneficiary to receive your lump sum Retired Death Benefit.

Retired Death Benefit

This section designates the person who will receive your lump sum Retired Death Benefit. You may change this beneficiary(ies) at any time. This designation automatically revokes when there is a change in your marital status, domestic partnership status, or when there is a birth or adoption of a child. Please refer to the detailed instructions in this publication for more information.

Name (First Name, Middle Initial, Last Name) _____ Social Security Number _____

Birth Date (mm/dd/yyyy) _____ Gender ☐ Male ☐ Female Relationship to You _____

Address _____

City _____ State _____ ZIP _____ Country _____

Section 6 continues on page 6

Put your name and Social Security number at the top of every page.

Section 6, continued

All Applicants must complete this section.

Designate your beneficiary to receive your lump sum Retired Death Benefit.

Retired Death Benefit

Your Name		Social Security Number	
Name (First Name, Middle Initial, Last Name)		Social Security Number	
Birth Date (mm/dd/yyyy)	Gender <input type="checkbox"/> Male <input type="checkbox"/> Female	Relationship to You	
Address			
City	State	ZIP	Country
Name (First Name, Middle Initial, Last Name)		Social Security Number	
Birthdate (mm/dd/yyyy)	Gender <input type="checkbox"/> Male <input type="checkbox"/> Female	Relationship to You	
Address			
City	State	ZIP	Country

Section 7

Please answer all five questions and complete the information in each section where you answered "Yes."

Survivor Continuance

Please refer to the detailed instructions in this publication for more information.

1. Will you be married on or before your disability retirement date? ☐ No ☐ Yes, provide:

Name of Spouse (First Name, Middle Initial, Last Name)		Social Security Number	
Birth Date (mm/dd/yyyy)	Gender <input type="checkbox"/> Male <input type="checkbox"/> Female	Date of Marriage	

2. Will you be registered with the California Secretary of State as being in a domestic partnership on or before your disability retirement date? ☐ No ☐ Yes, provide:

Name of Domestic Partner (First Name, Middle Initial, Last Name)		Social Security Number	
Birth Date (mm/dd/yyyy)	Gender <input type="checkbox"/> Male <input type="checkbox"/> Female	Date of Registered Partnership (mm/dd/yyyy)	

3. Do you have any natural or adopted children under age 18 who have never been married? ☐ No ☐ Yes, provide:

Name of Child (First Name, Middle Initial, Last Name)	Social Security Number	Birth Date (mm/dd/yyyy)
Name of Child (First Name, Middle Initial, Last Name)	Social Security Number	Birth Date (mm/dd/yyyy)

4. Do you have any children who have never been married and were disabled prior to their 18th birthday and who are still disabled? ☐ No ☐ Yes, provide:

Name of Child (First Name, Middle Initial, Last Name)	Social Security Number	Birth Date (mm/dd/yyyy)
Name of Child (First Name, Middle Initial, Last Name)	Social Security Number	Birth Date (mm/dd/yyyy)

5. Are your parents dependent upon you for one-half of their support? ☐ No ☐ Yes, provide:

Name of Parent (First Name, Middle Initial, Last Name)	Social Security Number	Birth Date (mm/dd/yyyy)
Name of Parent (First Name, Middle Initial, Last Name)	Social Security Number	Birth Date (mm/dd/yyyy)

Put your name and Social Security number at the top of every page.

Your Name

Social Security Number

Section 8

Last Day on Payroll

Please enter the last day you received compensation.
Last Day on Payroll (mm/dd/yyyy)

Section 9

Employer Certification (For service pending applications only)

Have your employer complete this section.

Please refer to the detailed instructions in this publication for more information.

Do not detach from application.

This certification is not required if you were separated from employment more than four months ago.

Employee's Last Day on Payroll (mm/dd/yyyy) Employee's Separation Date (mm/dd/yyyy)

Balance of unused sick leave hours on employee's date of separation Hours ÷ 8 = Days

Balance of educational leave hours on employee's date of separation Hours ÷ 8 = Days

By signing below, you hereby certify, under the penalty of perjury, that the above information is true, complete, and correct to the best of your knowledge. Any changes to this information must be submitted on an **Amended Employer Certification** form.

Signature of Employer

Print Name (First Name, Middle Initial, Last Name)

Position Title of Employer

Phone Number of Employer

Date (mm/dd/yyyy)

Section 10

Tax Withholding Election

Do not complete for industrial disability retirement.

Please choose one only.

Federal Income Tax information. Please refer to the detailed instructions in this publication for more information.

- ☐ Do not withhold federal income tax.
- ☐ Withhold federal income tax in the amount of \$ per month.
Dollars
- ☐ Withhold federal income tax based on the tax tables for:
- ☐ A married individual with tax withholding exemptions.
Number
- ☐ A single individual with tax withholding exemptions.
Number

In addition to the amount withheld based on the tax tables, withhold \$ per month.
Dollars

State withholding is optional for out-of-state residents.

State Income Tax information. Please refer to the detailed instructions in this publication for more information.

- ☐ Do not withhold State of California income tax.
- ☐ Withhold State of California income tax in the amount of \$ per month.
Dollars
- ☐ Withhold State of California income tax based on the tax tables for:
- ☐ A married individual with tax withholding exemptions.
Number
- ☐ A single individual with tax withholding exemptions.
Number
- In addition to the amount withheld based on the tax tables, withhold \$ per month.
Dollars
- ☐ Withhold State of California income tax in the amount of 10 percent of the federal income tax withholding amount.

Put your name and Social Security number at the top of every page.

Your Name

Social Security Number

Section 11

This section must be completed or your application will be returned.

If your spouse's or domestic partner's signature is not available, See instructions in this booklet on completing the Justification for Absence of Signature form. Your signature and your spouse's or domestic partner's signature must be notarized by a notary public or witnessed by a CalPERS representative.

Member Signature and Notary

I certify, under the penalty of perjury, that the information submitted hereon is true and correct to the best of my knowledge. I understand to cancel this application or to change the elected option or beneficiary I must notify CalPERS before the mailing of my first full monthly retirement allowance check.

I understand that if I am married or in a registered domestic partnership, but do not name my spouse or partner as beneficiary, they may still be entitled to a community property share of the Option 1 lump sum return of contributions benefit or a share of the monthly option death benefit allowance. Their community property interest is 50% of the benefit based on the contributions or service credit earned for the period of CalPERS service during which we were married or in a registered partnership. My non-spouse or non-partner designated beneficiary will receive the portion of the lump sum Option 1 benefit or monthly option allowance that is not payable to my spouse or domestic partner. I understand that my spouse or domestic partner will have the right to disclaim entitlement to their community property interest in the death benefit at the time the benefit becomes payable, if they so desire.

More detailed information on this section is available in this publication.

Are you legally married or do you have a legal domestic partner? ☐ Yes ☐ No

If yes, your spouse or domestic partner must sign this election.

If no, please indicate: ☐ Never Married/or in Partnership ☐ Divorced/Annulled
☐ Widowed Or Termination of Domestic Partnership

Your Signature

Date (mm/dd/yyyy)

Your Spouse's or Domestic Partner's Signature

Date (mm/dd/yyyy)

State of California, County of

On _____ before me, _____
Date Name of Notary/Witness

personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument. I certify under **Penalty of Perjury** under the laws of the State of California that the foregoing paragraph is true and correct.

Notary Seal

Witness my hand and official seal or authorized CalPERS representative signature.

Signature of Notary or CalPERS Representative

Position Title

Date (mm/dd/yyyy)

Print Name

CalPERS Office (if applicable)

Section 12

To be completed if the employer is submitting the application on behalf of the member.

Employer-Originated Application

Signature of Employer

Print Name of Employer

Position Title of Employer

Phone Number

Date (mm/dd/yyyy)

Mail to:

CalPERS Benefit Services Division • P.O. Box 942711, Sacramento, California 94229-2711



Service Retirement Election Application

(888) CalPERS (or 888-225-7377) • TTY for Speech and Hearing Impaired: (916) 795-3240

Please do not mail or deliver your application to CalPERS more than 90 days before your retirement date.

Section 1

Please provide your name as it appears on your Social Security card.

Please display all dates in this order: month/day/year.

Information About You

Name (First Name, Middle Initial, Last Name)

Social Security Number

Address

City

State

ZIP

Country

Birth Date (mm/dd/yyyy)

☐ Male ☐ Female
Gender

Home Phone

Work Phone

Section 2

Please do not abbreviate your employer or position.

The Temporary Annuity benefit for which you are eligible is based on your CalPERS membership date.

Information About Your Retirement

Please refer to the detailed instructions in this booklet.

Retirement Date (mm/dd/yyyy)

Employer

Position Title

Temporary Annuity - If you select this benefit, you must also fill out Section 3d, Option 1 Balance of Contributions and/or Temporary Annuity Balance beneficiary(ies).

To provide for an additional Temporary Annuity Allowance, you elect to reduce your monthly allowance for life. ☐ No ☐ Yes

If you first became a member on January 1, 2002, or later, you elect to receive Temporary Annuity until age _____ in the amount of \$ _____ Dollars
(62 to 70)

The amount of your Temporary Annuity cannot exceed the estimated amount of your Social Security benefit at the age designated in this election.

or

If you first became a member prior to January 1, 2002, you elect to receive Temporary Annuity until age _____ in the amount of \$ _____ Dollars per month.
(59½ or whole age 60 to 68)

Final Compensation Period

Do you have any final compensation period higher than the last consecutive 12 or 36 months?

☐ No ☐ Yes, from _____ to _____
Beginning Date (mm/dd/yyyy) Ending Date (mm/dd/yyyy)

Do not list Social Security, military or railroad retirement as a California public retirement system.

Other California Public Retirement Systems

Are you a member of a California public retirement system other than CalPERS? ☐ No ☐ Yes, provide:

Name of System

Retirement Date (mm/dd/yyyy)

Beginning Service Credit Date (mm/dd/yyyy)

Ending Service Credit Date (mm/dd/yyyy)

Put your name and
Social Security number
at the top of every page

Your Name

Social Security Number

Section 3

Select Your Retirement Payment Option and Beneficiary

By filling out this section, you are electing your Retirement Payment Option and designating your beneficiary. Once you select a payment option, you cannot change to another option. Along with your option selection, you must complete at least one of the beneficiary designations in Sections 3a-3d. If you choose the Unmodified Allowance Option, you do not need to specify a beneficiary. Please refer to the detailed instructions in this booklet for more information.

Select **only one** payment option: Option 1, Option 2, Option 2W, Option 3, Option 3W, the Unmodified Allowance Option, or one of the Option 4 types.

- ☐ **Option 1** - To complete this option choice, you must also fill out Section 3d, *Balance of Contributions Beneficiary*.
- ☐ **Option 2** - To complete this option choice, you must also fill out Section 3a, *Individual Lifetime Beneficiary*.
- ☐ **Option 2W** - To complete this option choice, you must also fill out Section 3a, *Individual Lifetime Beneficiary*.
- ☐ **Option 3** - To complete this option choice, you must also fill out Section 3a, *Individual Lifetime Beneficiary*.
- ☐ **Option 3W** - To complete this option choice, you must also fill out Section 3a, *Individual Lifetime Beneficiary*.
- ☐ **Unmodified Allowance Option** - If you select this option there is no return of your member contributions and no monthly benefits payable upon your death - except the Survivor Continuance Benefit, if applicable. There is no beneficiary designation for this option.

These options apply to Option 4 **Individual Lifetime Beneficiary** only.

- ☐ **Option 4, Individual Lifetime Beneficiary** - If you select this option, you must also select one of the following Individual Lifetime Beneficiary options below.
- ☐ **Option 2W & Option 1 Combined** - To complete this option choice, you must also fill out Section 3a *Individual Lifetime Beneficiary* and Section 3d *Balance of Contributions Beneficiary*.
- ☐ **Option 3W & Option 1 Combined** - To complete this option choice, you must also fill out Section 3a *Individual Lifetime Beneficiary* and Section 3d *Balance of Contributions Beneficiary*.
- ☐ **Specific Dollar Amount to Beneficiary** \$ _____ - To complete this option choice, you must also fill out Section 3a *Individual Lifetime Beneficiary* Dollars
- ☐ **Specific Percentage to Beneficiary** _____ % - To complete this option choice, you must also fill out Section 3a *Individual Lifetime Beneficiary* Percent
- ☐ **Reduced Allowance for Fixed Period of Time** _____ through _____ .
Percent or Dollars Date (month/year)
- ☐ **Reduced Allowance upon death of retiree or beneficiary:** \$ _____ reduction amount
Dollars
If you are naming a beneficiary under this option, you must also fill out Section 3a, *Individual Lifetime Beneficiary*.

This option applies to Option 4 **Multiple Lifetime Beneficiaries** only.

- ☐ **Option 4, Multiple Lifetime Beneficiaries** - To complete this option choice, you must also fill out Section 3b *Multiple Lifetime Beneficiaries*.

These options apply to Option 4, **Court Ordered Community Property** only.

- ☐ **Option 4, Court Ordered Community Property** - If you select this option, you must also complete section 3c, *Court Ordered C.P. Beneficiary* and select one of the following Court Ordered Community Property options.
- ☐ **Option 4/Unmodified** - There is no additional beneficiary designation for this option.
- ☐ **Option 4/1** - To complete this option choice, you must also fill out Section 3d, *Balance of Contributions Beneficiary*.
- ☐ **Option 4/2W** - To complete this option, you must also fill out Section 3a, *Individual Lifetime Beneficiary*.
- ☐ **Option 4/3W** - To complete this option, you must also fill out Section 3a, *Individual Lifetime Beneficiary*.

Put your name and Social Security number at the top of every page

Your Name

Social Security Number

Section 3a

Designate one beneficiary and provide all of that person's information including full name.

Option 2, 2W, 3, 3W or 4 Individual Lifetime Beneficiary

Complete this section only if you chose either Option 2, 2W, 3, 3W or Option 4 Individual Lifetime Beneficiary or Option 4/2W or 4/3W Court Ordered Community Property.

Name (First Name, Middle Initial, Last Name)

Social Security Number

Birth Date (mm/dd/yyyy)

☐ Male ☐ Female
Gender

Relationship to You

Address

City

State

ZIP

Country

Section 3b

If you want your beneficiaries to receive an equal share of your benefits, do not specify a dollar or percentage of benefit.

Option 4 Multiple Lifetime Beneficiaries

Complete this section only if you selected Option 4 Multiple Lifetime Beneficiaries.

Name (First Name, Middle Initial, Last Name)

Social Security Number

Birth Date (mm/dd/yyyy)

☐ Male ☐ Female
Gender

Relationship to You

Dollar/Percent of Benefit

Address

City

State

ZIP

Country

Name (First Name, Middle Initial, Last Name)

Social Security Number

Birth Date (mm/dd/yyyy)

☐ Male ☐ Female
Gender

Relationship to You

Dollar/Percent of Benefit

Address

City

State

ZIP

Country

Name (First Name, Middle Initial, Last Name)

Social Security Number

Birth Date (mm/dd/yyyy)

☐ Male ☐ Female
Gender

Relationship to You

Dollar/Percent of Benefit

Address

City

State

ZIP

Country

Section 3c

List only the Option 4 beneficiary that is required by your court order.

Court Ordered Option 4 Community Property Beneficiary

Complete this section only if you selected Option 4 Court Ordered Community Property.

Name (First Name, Middle Initial, Last Name)

Social Security Number

Birth Date (mm/dd/yyyy)

☐ Male ☐ Female
Gender

Relationship to You

Address

City

State

ZIP

Country

Put your name and Social Security number at the top of every page

Your Name

Social Security Number

Section 3d

Designate up to 3 beneficiaries here. If you want to designate more than 3 beneficiaries or name different beneficiaries for the Option 1 balance and the Temporary Annuity balance, see information in this booklet on completing the Lump Sum Beneficiary Designation form.

Option 1 Balance of Contributions and/or Temporary Annuity Balance Beneficiary(ies)

Complete this section only if you selected Option 1, Option 4-2W/1 or 3W/1 combined or the Temporary Annuity allowance. You may change this beneficiary(ies) at any time. This designation automatically revokes when there is a change in your marital status, domestic partnership status, or when there is a birth or adoption of a child. Please refer to the detailed instructions in this booklet for more information.

Name (First Name, Middle Initial, Last Name)

Social Security Number

Birth Date (mm/dd/yyyy)

☐ Male ☐ Female
Gender

Relationship to You

Address

City

State

ZIP

Country

Name (First Name, Middle Initial, Last Name)

Social Security Number

Birth Date (mm/dd/yyyy)

☐ Male ☐ Female
Gender

Relationship to You

Address

City

State

ZIP

Country

Name (First Name, Middle Initial, Last Name)

Social Security Number

Birth Date (mm/dd/yyyy)

☐ Male ☐ Female
Gender

Relationship to You

Address

City

State

ZIP

Country

Section 4

All Applicants must complete this section.

Designate your beneficiary to receive your Lump-Sum Retired Death Benefit.

Retired Death Benefit

This section designates the person who will receive your Lump-Sum Retired Death Benefit. You may change this beneficiary(ies) at any time. This designation automatically revokes when there is a change in your marital status, domestic partnership status, or when there is a birth or adoption of a child. Please refer to the detailed instructions in this booklet for more information.

Name (First Name, Middle Initial, Last Name)

Social Security Number

Birth Date (mm/dd/yyyy)

☐ Male ☐ Female
Gender

Relationship to You

Address

City

State

ZIP

Country

Name (First Name, Middle Initial, Last Name)

Social Security Number

Birth Date (mm/dd/yyyy)

☐ Male ☐ Female
Gender

Relationship to You

Address

City

State

ZIP

Country

Put your name and Social Security number at the top of every page

Your Name

Social Security Number

Section 4, continued

Retired Death Benefit, continued

All Applicants must complete this section.

Designate your beneficiary to receive your Lump-Sum Retired Death Benefit.

Name (First Name, Middle Initial, Last Name)		Social Security Number	
Birth Date (mm/dd/yyyy)	<input type="checkbox"/> Male <input type="checkbox"/> Female Gender	Relationship to You	
Address			
City	State	ZIP	Country

Section 5

Survivor Continuance

Please answer all five questions and complete the information in each section where you answered "yes".

Please refer to the detailed instructions in this booklet for more information.

1. Will you be married on and at least one year prior to your retirement date? ☐ No ☐ Yes, provide:

Name of Spouse (First Name, Middle Initial, Last Name)		Social Security Number	
Birth Date (mm/dd/yyyy)	<input type="checkbox"/> Male <input type="checkbox"/> Female Gender	Date of Marriage	

2. Will you be registered with the California Secretary of State as being in a domestic partnership on and at least one year prior to your retirement date? ☐ No ☐ Yes, provide:

Name of Domestic Partner (First Name, Middle Initial, Last Name)		Social Security Number	
Birth Date (mm/dd/yyyy)	<input type="checkbox"/> Male <input type="checkbox"/> Female Gender	Date of Registered Partnership (mm/dd/yyyy)	

3. Do you have any natural or adopted unmarried children under age 18? ☐ No ☐ Yes, provide:

Name of Child (First Name, Middle Initial, Last Name)	Social Security Number	Birth Date (mm/dd/yyyy)
Name of Child (First Name, Middle Initial, Last Name)	Social Security Number	Birth Date (mm/dd/yyyy)

4. Do you have any unmarried children who were disabled prior to their 18th birthday and who are still disabled? ☐ No ☐ Yes, provide:

Name of Child (First Name, Middle Initial, Last Name)	Social Security Number	Birth Date (mm/dd/yyyy)
Name of Child (First Name, Middle Initial, Last Name)	Social Security Number	Birth Date (mm/dd/yyyy)

5. Are your parents dependent upon you for one-half of their support? ☐ No ☐ Yes, provide:

Name of Parent (First Name, Middle Initial, Last Name)	Social Security Number	Birth Date (mm/dd/yyyy)
Name of Parent (First Name, Middle Initial, Last Name)	Social Security Number	Birth Date (mm/dd/yyyy)

Section 6

Last Day on Payroll

Please enter the last day you received compensation.

(mm/dd/yyyy)

Put your name and Social Security number at the top of every page

Your Name

Social Security Number

Section 7

Have your employer complete this section.

Do not detach from application.

This certification is not required if you are or were separated from employment for more than four months before your retirement date.

Employer Certification

Please refer to the detailed instructions in this booklet for more information.

Employee's Last Day on Payroll (mm/dd/yyyy)

Employee's Separation Date (mm/dd/yyyy)

Balance of unused sick leave hours on employee's date of separation _____ ÷ 8 = _____
Hours Days

Balance of educational leave hours on employee's date of separation _____ ÷ 8 = _____
Hours Days

By signing below, you hereby certify, under the penalty of perjury, that the above information is true, complete, and correct to the best of your knowledge. Any changes to this information must be submitted on an Amended Employer Certification form.

Signature of Employer

Print Name (First Name, Middle Initial, Last Name)

Position Title of Employer

Phone Number of Employer

Date (mm/dd/yyyy)

Section 8

Please choose one only.

Federal Income Tax information. Please refer to the detailed instructions in this booklet for more information.

☐ Do not withhold federal income tax.

☐ Withhold federal income tax in the amount of \$ _____ per month.
Dollars

☐ Withhold federal income tax based on the tax tables for:

☐ A married individual with _____ tax withholding exemptions.
Number

☐ A single individual with _____ tax withholding exemptions.
Number

In addition to the amount withheld based on the tax tables, withhold \$ _____ per month.
Dollars

Please choose one only.

State Income Tax information. Please refer to the detailed instructions in this booklet for more information.

☐ Do not withhold State of California income tax.

☐ Withhold State of California income tax in the amount of \$ _____ per month.
Dollars

☐ Withhold State of California income tax based on the tax tables for:

☐ A married individual with _____ tax withholding exemptions.
Number

☐ A single individual with _____ tax withholding exemptions.
Number

In addition to the amount withheld based on the tax tables, withhold \$ _____ per month.
Dollars

☐ Withhold State of California income tax in the amount of 10 percent of the federal income tax withholding amount.

Put your name and
Social Security number
at the top of every page

Your Name

Social Security Number

Section 9

This section must
be completed or
your application will
be returned.

If your spouse's or
domestic partner's
signature is not available,
See instructions in this
booklet on completing the
Justification for Absence
of Signature form.
Your signature and your
spouse's or domestic
partner's signature must
be notarized by a notary
public or witnessed by a
CalPERS representative.

Member Signature and Notary

I certify, under the penalty of perjury, that the information submitted hereon is true and correct to the best of my knowledge. I understand to cancel this application or to change the elected option or beneficiary I must notify CalPERS before the mailing of my first full monthly retirement allowance check.

I understand that if I am married or in a registered domestic partnership, but do not name my spouse or partner as beneficiary, they may still be entitled to a community property share of the Option 1 lump sum return of contributions benefit or a share of the monthly option death benefit allowance. Their community property interest is 50% of the benefit based on the contributions or service credit earned for the period of CalPERS service during which we were married or in a registered partnership. My non-spouse or non-partner designated beneficiary will receive the portion of the lump sum Option 1 benefit or monthly option allowance that is not payable to my spouse or domestic partner. I understand that my spouse or domestic partner will have the right to disclaim entitlement to their community property interest in the death benefit at the time the benefit becomes payable, if they so desire.

More detailed information on this section is available in this booklet.

Are you legally married or do you have a legal domestic partner? ☐ Yes ☐ No

If yes, your spouse or domestic partner must sign this election.

If no, please indicate: ☐ Never Married/or in Partnership ☐ Divorced/Annulled
☐ Widowed Or Termination of Domestic Partnership

Your Signature

Date (mm/dd/yyyy)

Your Spouse's or Domestic Partner's Signature

Date (mm/dd/yyyy)

State of California, County of

On _____ before me,

Date

Name of Notary/Witness

personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument. I certify under **Penalty of Perjury** under the laws of the State of California that the foregoing paragraph is true and correct.

Notary Seal

Witness my hand and official seal or authorized CalPERS representative signature.

Signature of Notary or CalPERS Representative

Position Title

Date (mm/dd/yyyy)

Print Name

CalPERS Office (if applicable)

Mail to:

CalPERS Benefit Services Division • P.O. Box 942711, Sacramento, California 94229-2711



Employer Services Division
P.O. Box 942709
Sacramento, CA 94229-2709
Telecommunications Device for the Deaf - (916) 795-3240
888 CalPERS (or 888-225-7377) FAX (916) 795-3005

Reply to Section 104:

S.S.A.#: _____

February 1, 2007

TO: _____ Unit: _____
(Employer Code and Name)

RE: _____
(Member/Employee Name)

The birthdate, _____, currently shown on our records differs from the birth date originally submitted by your agency.

It is necessary that we determine the source of this discrepancy. Please review your records and return the completed questionnaire below.

Corporate Registration Unit
Employer Services Division

EMPLOYER RESPONSE

The birth date given by this member is: _____

REASON FOR DISCREPANCY:

- _____ Member has reported more than one birth date, **birth certif. enclosed.**
_____ Agency clerical or typographical error.
_____ Birth Certificate attached - Birth date does not agree with PERS record.

EMPLOYER CERTIFICATION

_____ (Signature of Certifying Officer)	
_____ (Agency Phone #)	_____ (Date)

PERS-MEM-12

California Public Employees' Retirement System
www.calpers.ca.gov



Request for Service Credit Cost Information - Service Prior to Membership, CETA & Fellowship Service

888 CalPERS (or 888-225-7377) • TTY: For Speech & Hearing Impaired (916) 795-3240

Name of Member (Last Name, First Name, Middle Initial) Social Security Num

Section 1

If we have provided cost information to you in the past for this service credit, check the Yes box and indicate the date your request was submitted. If you have submitted a retirement application, check the Yes box and indicate your planned retirement date.

About You

Have you requested this cost information before? ☐ No ☐ Yes _____
Requested Date (mm/dd/yyyy)

Have you submitted a retirement application? ☐ No ☐ Yes _____
Requested Date (mm/dd/yyyy)

Were you compensated for this employment? ☐ No ☐ Yes _____
Requested Date (mm/dd/yyyy)

Former Name (if applicable) Current Employer

Mailing Address

City State ZIP Code Daytime Phone

Section 2

List the name and address of the employer where the service was earned. If this was a certificated position, contact the State Teachers' Retirement System.

List the dates and hours of employment for which you are requesting credit. List each position separately and indicate if service was full time or part time. If the service was part time, show service as a fraction or list the hours (i.e., 20 hours per month or half time).

Prior Employment Information

Employer

Address

City State ZIP Code

Was this service rendered under the Comprehensive Employment & Training Act from 1973 to 1982? ☐ No ☐ Yes

Was this service rendered under a fellowship program? ☐ No ☐ Yes _____
Name of Program

Was service rendered as a 10-month employee? ☐ No ☐ Yes

Employment From (mm/dd/yyyy) To (mm/dd/yyyy) Location

Position Title Hours Worked Per Month OR Time Base/Fraction of Full Time

Employment From (mm/dd/yyyy) To (mm/dd/yyyy) Location

Position Title Hours Worked Per Month OR Time Base/Fraction of Full Time

Employment From (mm/dd/yyyy) To (mm/dd/yyyy) Location

Position Title Hours Worked Per Month OR Time Base/Fraction of Full Time

Section 3

Member Certification

I hereby certify that the above information is true and correct.

Signature Date (mm/dd/yyyy)

- If the service was performed for the State of California or a California State University, STOP. Sign this form on the line above and mail it to CalPERS.
- If the service was performed for the University of California, a CalPERS-covered public agency, or a school, forward this request form to the appropriate employer for completion of Page 2 before returning to CalPERS.

Name of Member (Last Name, First Name, Middle Initial)

Social Security Number

Section 4

If the service was performed for the State of California or California State University, employer certification is not required.

Statement & Signature of Personnel or Payroll Officer

Your signature certifies that the member-provided information is true, correct, and provides CalPERS with all the necessary information to apply any exclusions. If no hours worked or time base is indicated, **full-time service** will be assumed. If you do not agree with this assumption or with the information listed, continue to Section 5.

Position Type ☐ Seasonal ☐ Limited Term ☐ On-Call ☐ Intermittent ☐ Permanent

For Teachers Assistants Only:

Was this person employed pursuant to Section 44926 of the Education Code? ☐ No ☐ Yes

Do you feel this service is eligible for purchase? ☐ Yes ☐ No

Reason

Employer Signature

Title

Date (mm/dd/yyyy)

Printed Name

Phone

FAX

Section 5

To be completed by employer only if additional information is necessary. Otherwise, simply certify in Section 4 above.

Complete Section 7 and return this request form to the member.

Employer Certification

Position Title

Employment From (mm/dd/yyyy)

To (mm/dd/yyyy)

Time Base

☐ Full Time

☐ Part Time

☐ Hourly

☐ Fraction of Full Time

Average Number of Days or Hours Per Month

Average Percentage or Fraction of Time Worked Per Month

Section 6

Complete Section 6 only if the employee was full time, worked more than 1,000 hours in a fiscal year (July 1 through June 30), or did not work a consistent time base and could not be listed above.

Member Employment History

Employment From (mm/dd/yyyy)

Employment To (mm/dd/yyyy)

Position Title

Pay Rate (Hourly/Daily/Monthly)

Time Worked (Hours Per Day)

Time Worked (Earnings)

Employment From (mm/dd/yyyy)

Employment To (mm/dd/yyyy)

Position Title

Pay Rate (Hourly/Daily/Monthly)

Time Worked (Hours Per Day)

Time Worked (Earnings)

Employment From (mm/dd/yyyy)

Employment To (mm/dd/yyyy)

Position Title

Pay Rate (Hourly/Daily/Monthly)

Time Worked (Hours Per Day)

Time Worked (Earnings)

Employment From (mm/dd/yyyy)

Employment To (mm/dd/yyyy)

Position Title

Pay Rate (Hourly/Daily/Monthly)

Time Worked (Hours Per Day)

Time Worked (Earnings)

Section 7

If the service was performed for the State of California or California State University, employer certification is not required.

Statement & Signature of Personnel or Payroll Officer

I hereby certify that the above information is true and correct and provides CalPERS with all the necessary information to apply any exclusions.

Signature

Title

Date (mm/dd/yyyy)

Printed Name

Phone

FAX

Mail to:

CalPERS Member Services Division • P.O. Box 4000, Sacramento, California 95812-4000



Request for Service Credit Cost Information - Leave of Absence

888 CalPERS (or 888-225-7377) • TTY: For Speech & Hearing Impaired (916) 795-3240

Name of Member (Last Name, First Name, Middle Initial) _____ Social Security Number _____

Section 1

About You

Have you requested this cost information before? ☐ No ☐ Yes _____
Requested Date (mm/dd/yyyy)

Have you submitted a retirement application? ☐ No ☐ Yes _____
Retirement Date (mm/dd/yyyy)

Former Name (if applicable) _____ Current Employer _____

Mailing Address _____

City _____ State _____ ZIP Code _____ Daytime Phone _____

Section 2

Employment Information

List the name and address
of the employer that
granted the leave.

Employer _____

Address _____

City _____ State _____ ZIP Code _____

Dates of Leave From (mm/dd/yyyy) To (mm/dd/yyyy) ☐ Maternity/Paternity ☐ Educational ☐ Service ☐ Sabbatical ☐ Temporary Disability
Type/Purpose of Leave

Dates of Leave From (mm/dd/yyyy) To (mm/dd/yyyy) ☐ Maternity/Paternity ☐ Educational ☐ Service ☐ Sabbatical ☐ Temporary Disability
Type/Purpose of Leave

Dates of Leave From (mm/dd/yyyy) To (mm/dd/yyyy) ☐ Maternity/Paternity ☐ Educational ☐ Service ☐ Sabbatical ☐ Temporary Disability
Type/Purpose of Leave

Dates of Leave From (mm/dd/yyyy) To (mm/dd/yyyy) ☐ Maternity/Paternity ☐ Educational ☐ Service ☐ Sabbatical ☐ Temporary Disability
Type/Purpose of Leave

Section 3

Certification

Give the form to the
employer that granted the
leave to complete
Section 4 (and to route
to the compensation
carrier to complete
Sections 5 and 6).

Member Signature _____ Date (mm/dd/yyyy) _____

Section 4

Leave of Absence Certification (to be completed by employer)

Employer: Return the
completed form to
the member or forward
it to the member's
Workers' Compensation
carrier, as appropriate.

Dates of Leave From (mm/dd/yyyy) To (mm/dd/yyyy) ☐ Maternity/Paternity ☐ Educational ☐ Service ☐ Sabbatical ☐ Temporary Disability
Type/Purpose of Leave

I hereby certify that the above information is true and correct.

Employer Signature _____ Title _____ Date (mm/dd/yyyy) _____

Printed Name _____ Phone _____ FAX _____

Name of Member (Last Name, First Name, Middle Initial) Social Security Number

Section 5

Temporary Disability Leave of Absence Certification

To be completed
by the Workers'
Compensation carrier
that provides temporary
disability benefits.

Workers' Compensation Carrier Information

Name of Employer's Disability Carrier

Carrier's Address Carrier's Phone Number

* If there was more than
one temporary disability
leave period, provide claim
numbers and dates
for each.

Employee's Claim Number* Beginning Date of Temporary Disability Payments (mm/dd/yyyy) Ending Date of Payments (mm/dd/yyyy)

Effective Date of Permanent Disability Rating*

Was there a settlement by Compromise and Release? ☐ No ☐ Yes. Provide copy.

Section 6

Signature of Authorized Workers' Compensation Carrier Representative

Please return the
completed form
to the member.

I hereby certify that the above information is true and correct.

Carrier Signature Date (mm/dd/yyyy)

Printed Name Title

Mail to:

CalPERS Member Services Division • P.O. Box 4000, Sacramento, California 95812-4000



Request for Service Credit Cost Information - Layoff, Prior Service & Optional Member Service

888 CalPERS (or 888-225-7377) • TTY: For Speech & Hearing Impaired (916) 795-3240

Name of Member (Last Name, First Name, Middle Initial) Social Security Number

Section 1

About You

Have you requested this cost information before? ☐ No ☐ Yes _____
Requested Date (mm/dd/yyyy)

Have you submitted a retirement application? ☐ No ☐ Yes _____
Retirement Date (mm/dd/yyyy)

Former Name (if applicable) Current Employer

Mailing Address

City State ZIP Code Daytime Phone

Section 2

Employment Information

List information about your
employer at the time of
your layoff, prior service, or
optional member service.

Employment From (mm/dd/yyyy) Employment To (mm/dd/yyyy) Employer

Employment From (mm/dd/yyyy) Employment To (mm/dd/yyyy) Employer

Employment From (mm/dd/yyyy) Employment To (mm/dd/yyyy) Employer

Employment From (mm/dd/yyyy) Employment To (mm/dd/yyyy) Employer

Section 3

Certification

Give this form to your
employer at the time of
your layoff, prior service,
or optional member
service for completion
of Sections 4, 5, and 6
before returning
to CalPERS.

I hereby certify that the above information is true and correct.

Member Signature Date (mm/dd/yyyy)

Name of Member (Last Name, First Name, Middle Initial)

Social Security Number

Section 4

Employer Certification (to be completed by former employer)

For Layoff, list the dates
the member was laid
off work.

Member Layoff History

Date From (mm/dd/yyyy)

Date To (mm/dd/yyyy)

For Prior Service, complete
the detailed history
for the employment
dates and time worked.
Remember, to be eligible
the employment period
must be prior to your
CalPERS contract date.

Member Prior Service History

Did your agency have a local retirement system (prior to CalPERS contract)? ☐ No ☐ Yes

Was this member a participant of the local retirement system? ☐ No ☐ Yes

Did the member withdraw these funds? ☐ No ☐ Yes

Service Time Amount Withdrawn Withdrawal Date

Plan Type: ☐ Defined Benefit ☐ Defined Contribution

Optional Member Service

For Optional Member
Service, complete the
questions on the optional
period, as well as the
detailed history.

Was this position filled by an election or appointment to a fixed term of office? ☐ Election ☐ Appointment

Position Title

Was compensation paid considered a salary? (Expense reimbursement is not a salary.) ☐ No ☐ Yes

Section 5

Member Employment History

Be sure to include
employment dates,
pay rate, time worked,
and earnings for the
optional period.

_____ Employment From (mm/dd/yyyy)	_____ Employment To (mm/dd/yyyy)	_____ Time Worked (hour/days)	_____ Earnings
_____ Employment From (mm/dd/yyyy)	_____ Employment To (mm/dd/yyyy)	_____ Time Worked (hour/days)	_____ Earnings
_____ Employment From (mm/dd/yyyy)	_____ Employment To (mm/dd/yyyy)	_____ Time Worked (hour/days)	_____ Earnings
_____ Employment From (mm/dd/yyyy)	_____ Employment To (mm/dd/yyyy)	_____ Time Worked (hour/days)	_____ Earnings
_____ Employment From (mm/dd/yyyy)	_____ Employment To (mm/dd/yyyy)	_____ Time Worked (hour/days)	_____ Earnings
_____ Employment From (mm/dd/yyyy)	_____ Employment To (mm/dd/yyyy)	_____ Time Worked (hour/days)	_____ Earnings

Section 6

Statement & Signature of Personnel or Payroll Officer

If the service was
performed for the State
of California or California
State University,
employer certification
is not required.

I hereby certify that the above information is true and correct.

Employer Signature Title Date (mm/dd/yyyy)

Printed Name Phone FAX

Employer: Please return
the completed form to
the member.

Mail to:

CalPERS Member Services Division • P.O. Box 4000, Sacramento, California 95812-4000



Physical Requirements of Position/Occupational Title

888 CalPERS (or 888-225-7377) • TTY for Speech and Hearing Impaired: (916) 795-3240 • Fax: (916) 795-1280

Section 1

This form must be completed by the member and their employer to supplement, if any, the physical requirements listed on the member's duty statement/job description.

Member Information

Name of Member (First Name, Middle Initial, Last Name)	— —	Social Security Number
Position/Occupational Title	Name of Employer	
Worksite Street Address		
City	State	ZIP

Section 2

Indicate with a check mark (✓) the frequency required for each activity listed at the right.

Physical Requirements Information

Activity	Never	Occasionally Up to 3 hours	Frequently 3–6 hours	Constantly Over 6 hours	Distance/ Height
Sitting					
Standing					
Running					
Walking					
Crawling					
Kneeling					
Climbing					
Squatting					
Bending (neck)					
Bending (waist)					
Twisting (neck)					
Twisting (waist)					
Reaching (above shoulder)					
Reaching (below shoulder)					
Pushing & Pulling					
Fine Manipulation					
Power Grasping					
Simple Grasping					
Repetitive use of hand(s)					
Keyboard Use					
Mouse Use					
Lifting/Carrying					
0 – 10 lbs.					
11 – 25 lbs.					
26 – 50 lbs.					
51 – 75 lbs.					
76 – 100 lbs.					
100 + lbs.					

Continued on page 2.

Put your name and
Social Security number
at the top of every page.

Your Name

Social Security Number

Section 2 (continued)

Indicate with a check
mark (✓) the frequency
required for each activity
listed at the right.

Physical Requirements, continued

Activity	Never	Occasionally Up to 3 hours	Frequently 3–6 hours	Constantly Over 6 hours	Distance/ Height
Walking on uneven ground					
Driving					
Working with heavy equipment					
Exposure to excessive noise					
Exposure to extreme temperature, humidity, wetness					
Exposure to dust, gas, fumes, or chemicals					
Working at heights					
Operation of foot controls or repetitive movement					
Use of special visual or auditory protective equipment					
Working with bio-hazards (e.g., blood-borne pathogens, sewage, hospital waste, etc.)					

Comments or additional requirements not listed above:

Section 3

Signature of Employer and Member

The employer must give
the member a copy of
this form once it has been
completed and signed
by both parties. The
employer then sends the
original to CalPERS. The
member must attach their
current duty statement/job
description and copy of the
Physical Requirements of
Position/Occupational Title
form to the Physician's
Report on Disability prior to
sending to their physician.

Signature of Employer Representative

Date (mm/dd/yyyy)

Title

Phone Number

Signature of Member

Phone Number

Date (mm/dd/yyyy)

Mail to:

CalPERS Benefit Services Division • P.O. Box 2796, Sacramento, California 95812-2796



Employer Information for Disability Retirement

888 CalPERS (or 888-225-7377) • TTY for Speech and Hearing Impaired: (916) 795-3240 • Fax: (916) 795-1280

Section 1

Member Information

To Member:
Complete this form,
sign, date and forward
to your employer.

To Employer:
Use this form as a
cover sheet for
the employee's job
description and other
documents you
submit to CalPERS.

Name of Member (First Name, Middle Initial, Last Name) _____ Social Security Number _____
Position/Occupational Title _____ Name of Employer/Agency _____

I have submitted an application for disability retirement with the California Public Employees' Retirement System (CalPERS). I am submitting this letter to you (my employer) on behalf of CalPERS. CalPERS is seeking information to substantiate my disability.

As soon as possible, please send CalPERS the duty statement/job description for the position I held. Please include a copy of all accident reports, medical reports, and personnel actions filed within the past five years. These documents must be identified with my name and Social Security number. If you have additional comments, please submit them.

CalPERS requires the physical requirements of my position/occupational title. I will be contacting you so we can complete the Physical Requirements of Position/Occupational Title form for my position. At that time, a copy of my duty statement/job description that you send to CalPERS must be provided to me. Both the duty statement/job description and the Physical Requirements of Position/Occupational Title form will be presented to my physician to assist in the evaluation of my disability retirement.

When the CalPERS determination of disability is completed, they will inform you. When you are notified of their determination, you will have the right to appeal the approval/denial of the application for disability retirement for the medical condition stated, in accordance with Section 555.3, Title II, California Code of Regulations by filing a written request with CalPERS within 30 days of the mailing of the determination letter. An appeal, if filed, should set forth the factual basis and legal authorities for such appeal.

Under the law, if a person (other than my employer) caused an injury that results in certain CalPERS benefits being paid, CalPERS has the right to recover from the responsible party up to one-half of the total retirement benefit costs payable. This right is known as a "right of subrogation" (Government Code Section 20250, et seq.).

Please advise CalPERS if you are aware of any claim (other than a workers' compensation claim) against any person or entity for the same injuries that also entitle me to a disability retirement from CalPERS.

Section 2

Authorization to Release Information

**Mail signed authorization
to your employer,
not CalPERS.**

The purpose of this authorization is to assist CalPERS in determining my right to retirement or reinstatement under the Retirement Law, pursuant to Government Code Section 20128, and for no other purpose. This authorization will be valid for four years from the date shown below. A photocopy of this authorization shall be as valid as the original.

Signature of Member _____ Date (mm/dd/yyyy) _____

Mail to:

CalPERS Benefit Services Division • P.O. Box 2796, Sacramento, California 95812-2796

SEPARATION/DISPOSITION OF CALPERS CONTRIBUTIONS

STD. 687 (REV. 11/2006)

THE FOLLOWING CONTAINS INFORMATION ON THE RIGHTS OF MEMBERS IF THEY ARE SEPARATING FROM STATE EMPLOYMENT, WHICH INCLUDES ACCEPTING A POSITION AT A PUBLIC AGENCY COVERED BY ANOTHER CALIFORNIA PUBLIC RETIREMENT SYSTEM, CREATING RECIPROCAL RIGHTS**NOTE: If you are moving from one CalPERS covered employer to another, you may not withdraw your CalPERS contributions****A. NOTICE TO FIRST TIER MEMBERS ELECTING A REFUND OF RETIREMENT CONTRIBUTIONS**

The refund you receive from CalPERS is subject to 20% Federal income tax withholding. Withholding applies only to the portion of your refund that is subject to Federal income tax (i.e., interest your contributions have earned and any tax deferred contributions, if applicable). Whether you elect to receive your refund or roll it over, you have the option of having 2% of the taxable portion withheld for California state income tax. For additional information on income tax, rollovers, and excise tax, refer to the BAS-500, "IMPORTANT CALPERS REFUND TAX INFORMATION", attached.

B. NOTICE TO SECOND TIER MEMBERS WHO ARE TERMINATING EMPLOYMENT

If you are a vested Second Tier member, and you terminate your employment, your service will be placed in a deferred retirement status without action on your part. When you reach age 55, you will be eligible to receive a retirement allowance from CalPERS. (You are vested if you have at least 10 years of service credit.)

C. ALL MEMBERS WHO ACCEPT EMPLOYMENT COVERED BY A RETIREMENT SYSTEM HAVING A RECIPROCAL AGREEMENT WITH CALPERS

At present the following are CalPERS reciprocal systems:

- 1937 Act County System (inclusive of Districts affiliated with each County Retirement System):

Alameda	Mendocino	San Mateo
Contra Costa	Merced	Santa Barbara
Fresno	Orange	Sonoma
Imperial	Sacramento	Stanislaus
Kern	San Bernardino	Tulare
Los Angeles	San Diego	Ventura
Marin	San Joaquin	

- The University of California

- Other California Public Agencies:

Cities of Concord, Costa Mesa (safety only), Fresno, Oakland (non-safety), Pasadena, Sacramento, San Clemente (non-safety), San Diego, and San Jose; East Bay Municipal Utility District, East Bay Regional Park District; Contra Costa Water District; County of San Luis Obispo, and the City and County of San Francisco; Long Beach Schools Business Management Authority; Los Angeles City Retirement System; Los Angeles County Metropolitan Transportation Authority, California Administrative Services Authority.

1. As a member of CalPERS accepting employment covered by one of the reciprocal retirement systems, you will have certain rights if:

- a. You enter employment in which you become a member of a reciprocal system within 6 months after separating from CalPERS-covered employment, and
- b. You elect to leave your contributions on deposit with CalPERS and inform CalPERS of the name of the public agency in which you will be or are employed.

2. The rights of such membership if continued are:

- a. The final compensation used to determine your benefits under CalPERS will be the highest earned under the two systems provided you retire concurrently under both systems;
- b. Your service under all reciprocal systems will be considered to determine eligibility for benefits under the several systems;
- c. The basic death benefit or disability retirement;
- d. A rate of contribution to the public agency retirement system based on your age of entry into membership in CalPERS or another reciprocal retirement system.

3. Contributions you elect to leave on deposit in CalPERS may not be withdrawn while you remain in employment covered by one of the reciprocal systems.

4. If you wish to advise CalPERS directly of your election to establish reciprocity, please send written correspondence to the address listed under Section D.

NOTE: Be sure to notify CalPERS of any future address change to ensure delivery of your Annual Member Statement.

D. ALL MEMBERS WHO ACCEPT EMPLOYMENT COVERED BY THE STATE TEACHERS' RETIREMENT SYSTEM, LEGISLATORS' RETIREMENT SYSTEM, OR THE JUDGES' RETIREMENT SYSTEM I/II

1. As a member of CalPERS accepting employment covered by the State Teachers' Retirement System, Legislators' Retirement System, or Judges' Retirement System I/II, you will have certain rights if you elect to leave your contributions on deposit with CalPERS and inform CalPERS of the name of the other retirement system.
2. If you elect to continue your membership, the final compensation used to determine your benefits under CalPERS will be the highest earned under the two systems provided you retire concurrently under both systems.
3. Contributions you elect to leave on deposit in CalPERS may not be withdrawn while you remain in employment covered by one of these retirement systems.
4. If you wish to advise CalPERS directly of your employment covered by one of these retirement systems, please send written correspondence to the following address.

CalPERS
Member Services Division, Unit 841
P. O. Box 942704
Sacramento, CA 94229-2704
(888) CalPERS 225-7377
Telecommunications Device for the Deaf
(916) 795-3240; FAX (916) 795-1224

NOTE: Be sure to notify CalPERS of any future address change to ensure delivery of your Annual Member Statement.

NOTE: A rollover to CalPERS from your Alternate Retirement Plan that is administered by the Department of Personnel Administration will not be allowed if your CalPERS account has been refunded.

PRIVACY NOTIFICATION

The information you are asked to provide on this form is requested by the Office of the State Controller, Personnel/Payroll Services Division. This notice is required by Section 1798.17 of the Information Practices Act of 1977 (California Civil Code Sections 1798 through 1798.76) and the Federal Privacy Act (5 USC 552a, subd. (e)(3)) to be provided whenever an agency requests personal information from an individual.

The information on this form is to be used by the State Controller's Office and the Public Employees' Retirement System (CalPERS) for the purposes of identification and processing retirement contributions. Where authorized by law, address information may be transferred to the following governmental agencies: Internal Revenue Service and Franchise Tax Board. Certain items of information provided on this form may be transferred to the following governmental agencies where authorized by law: Employment Development Department, Department of Social Services, Social Security Administration, Federal Internal Revenue Service, California State Franchise Tax Board, other state income tax bureaus, and other governmental entities when required by state or federal law.

It is mandatory that you furnish the information requested on this form. Failure to furnish the requested information may result in an inaccurate determination of credit for State service, payroll calculations, and retirement and/or health benefits.

Legal references authorizing maintenance of this information include the Internal Revenue Code, Sections 6011, 6051 and 6109 (26 USCA 6011, 6051, 6109), and the regulations thereto.

Employees have the right to review their own personal information maintained by the State Controller's Office, unless access is exempted by law. The following office is responsible for the system of records and shall, upon request, inform you of the location of your records and the categories of persons using the information therein: Personnel/Payroll Services Division, State Controller's Office, P. O. Box 942850, Sacramento, CA 94250-5878.

SEPARATION/DISPOSITION OF CALPERS CONTRIBUTIONS

STD. 687 (REV. 11/2006)

IMPORTANT CALPERS REFUND TAX INFORMATION

The following consists of summarized tax information and is provided in accordance with Section 402(f) of the Internal Revenue Code. **AS CALPERS CANNOT PROVIDE SPECIFIC INFORMATION OR TAX ADVICE, PLEASE SEE YOUR TAX CONSULTANT, THE INTERNAL REVENUE SERVICE OR THE STATE FRANCHISE TAX BOARD. FOR ADDITIONAL INFORMATION CONCERNING ROLLOVERS, CONSULT THE APPROPRIATE FINANCIAL INSTITUTION OF YOUR CHOICE.**

ROLLOVERS - An "eligible rollover distribution" consists of the taxable portion of a refund of your contributions, including interest, due to a separation from all CalPERS-covered employment. You may avoid current taxation on any portion of the taxable amount of an eligible rollover distribution by rolling over that portion into an individual retirement arrangement (IRA) or another qualified employer retirement plan that accepts rollover contributions. A tax-free rollover of the taxable amount of an eligible rollover distribution may be accomplished in one of the following ways:

- 1) **Direct Rollover** -You may direct CalPERS to transfer all or anyportion of the taxable amount of the distribution to a specified IRA or qualified defined contribution plan that accepts rollovers. It cannot be made to another defined benefit plan such as CalPERS. However, the portion to be directly rolled over must be at least \$500. Taxes will be reportable when you take the money out of an IRA or other qualified plan.
- 2) **Regular Rollover** -You may take an in-hand distribution and, **not later than 60 days after you receive the distribution**, transfer all or a portion of the taxable portion of the distribution to an IRA or qualified plan that accepts rollovers. Taxes will be reportable when you take the money out of an IRA or other qualified plan.

Even if you plan to roll over the taxable portion of the eligible distribution, unless you elect a Direct Rollover, you will only receive 80% of your distribution. Federal tax rules require CalPERS to automatically deduct 20% federal tax withholding from the taxable portion of your refund, if it is over \$200.

If you wish to make the Regular Rollover for the full 100%, you will have to make up the 20% difference out-of-pocket. You will also be taxed on the 20% that was withheld. When filing your individual tax return you then can get a refund of the amount withheld to the extent you have no further tax liability.

Early distributions from a qualified retirement plan are subject to an early withdrawal penalty tax of 10% federal and 2 1/2% State tax on the taxable portion of the distribution PLUS any income tax due on the distribution if it is received prior to age 59 1/2, unless an exception applies.

Please be aware not all distributions are eligible to be rolled over. Any distribution that is part of a series of substantially equal periodic payments made at least annually under a life annuity, over life expectancy or over a specified period of 10 or more years is ineligible

(BAS-500)

to be rolled over. Also ineligible for rollover treatment is the amount of a distribution that is necessary to satisfy the minimum distribution requirements that apply after you separate from employment or you turn age 70 1/2, whichever occurs later.

EXCEPTION TO THE ADDITIONAL TAX - There are some instances where an individual will be exempt from the early withdrawal penalty tax even if he/she takes an early distribution from a qualified retirement plan. These are as follows:

- 1) receipt of a CalPERS service or disability retirement benefit, paid as a monthly allowance over you/your beneficiary's life; or
- 2) a lump sum distribution, if made to a beneficiary because of your death; or
- 3) a lump sum distribution, if made to you because of your separation from service after attaining age 55 or after becoming disabled.
- 4) Effective 1/1/07 - The 10% Federal penalty tax will be waived when you receive a lump sum distribution, if made to you because of your separation from service after attaining age 50 and you were a safety member who provided police protection, firefighting service or emergency medical services

FIVE AND TEN-YEAR AVERAGING / CAPITAL GAIN - If you receive a lump sum distribution after you are age 59 1/2, you may be able to make a one-time election to figure the tax on the payment by using **"5-year averaging"**. To qualify for 5-year tax averaging, you must be at least age 59 1/2 and have participated in CalPERS (the plan making the distribution) for no less than 5 years before the year the distribution is made.

If you receive a lump sum distribution and you were born before January 1, 1936, you can make a one-time election to figure the tax on the payment by using **"10-year averaging"** (using 1986 tax rates). Only one election is available to an individual, and if made, eliminates the ability to elect 5-year averaging and capital gain treatment after attaining age 59 1/2. However, any 10-year averaging election made prior to January 1, 1987, and before attaining age 59 1/2, does not count toward your one election.

If you were born prior to January 1, 1936 and you receive a lump sum distribution, any pre-1974 CalPERS contributions you paid (if applicable) may be taxed as long-term **"capital gain"** at a rate of 20%.

CALIFORNIA STATE TAX WITHHOLDING - Whether you elect to receive a refund OR directly roll over your contributions, you may choose to have state tax withheld or not withheld. State tax, if withheld, is 2% of the taxable portion of the refund. An individual also has the right to revoke or change their choice prior to the mailing of their contributions.

For California residents who do not make a choice, 2% will automatically be withheld for State tax even if you elect a rollover.

For **individuals who reside outside of California**, no state tax will be withheld unless specifically requested. Please be aware that you may still owe California state taxes.

Publications are available from the Internal Revenue Service which provide specific information on special tax treatment on lump sum distributions. If you have state tax liability questions, contact the State Franchise Tax Board.

SEPARATION/DISPOSITION OF CALPERS CONTRIBUTIONS

Use ballpoint pen and return completed form to your Personnel Office.

A	PERSONNEL OFFICE USE		
	01 AGENCY	02 UNIT	03 ADD'L IDENTIFICATION

B	01 SOCIAL SECURITY NUMBER	02 EMPLOYEE LAST NAME	03 FIRST NAME AND MIDDLE INITIAL
---	---------------------------	-----------------------	----------------------------------

SEPARATION DATE AND TYPE OF SEPARATION (Check One)				
C	01 SEPARATION DATE		This resignation is executed by me freely and voluntarily and of my own free will and is not given by reason of any threat, force, duress, or any undue influence by any person (Sign in Section 6).	
	MONTH	DAY	YEAR	02 <input type="checkbox"/> RESIGNATION
	REASON FOR RESIGNATION			03 <input type="checkbox"/> SEPARATION WITHOUT FAULT BY DEPARTMENT OR CAMPUS
				04 <input type="checkbox"/> OTHER

DISPOSITION OF CALPERS CONTRIBUTIONS (Check One Box Only) IF YOU ARE RETIRING, DO NOT COMPLETE THIS SECTION	
D TO TERMINATE MEMBERSHIP —To be eligible for a refund you must have service under the first tier and be permanently separating from ALL CALPERS-covered employment. Before checking either box, read the information contained in Section A on the reverse side of the employee copy. NOTE: A rollover to CalPERS from your Alternate Retirement Plan that is administered by the Department of Personnel Administration will not be allowed if your CalPERS account has been refunded.	IMPORTANT: NO REFUND OR ROLLOVER OF A REFUND WILL BE PROCESSED IF YOUR INITIALS DO NOT APPEAR AFTER THE WAIVER OF RIGHTS STATEMENT: I am aware of my service and disability rights under CalPERS. I have read the description of rights, and the benefit calculation formula and table set forth in the CalPERS member booklet for my classification. Despite my knowledge of these facts, I hereby WAIVE all rights and understand that by requesting a refund, I am forfeiting all future retirement benefits.
01 <input type="checkbox"/> I ELECT TO TERMINATE MY MEMBERSHIP IN CALPERS AND DIRECTLY RECEIVE A REFUND OF MY TOTAL CONTRIBUTIONS. I UNDERSTAND THAT 20% OF THE TAXABLE AMOUNT WILL BE WITHHELD FOR FEDERAL INCOME TAXES AS DESCRIBED IN THE ATTACHED BAS-500 FORM.	<div style="text-align: right;">  _____ (Member's Initials) </div>
02 <input type="checkbox"/> I ELECT TO TERMINATE MY MEMBERSHIP IN CALPERS AND DIRECTLY ROLLOVER THE TAXABLE PORTION OF MY TOTAL CONTRIBUTIONS TO THE FINANCIAL INSTITUTION OR PLAN NAMED ON THE CALPERS DIRECT ROLLOVER ELECTION, ATTACHED.	

TO CONTINUE MEMBERSHIP – Contributions, if any, will continue to earn interest, and you will not accrue further service unless you return to CalPERS-covered employment. If you have 5 years of service credit and elect to leave your contributions on deposit, you can apply for service retirement at age 50 and receive a monthly allowance. For a retirement estimate, use the "calculator" on CalPERS Website at www.calpers.ca.gov. Before checking either box, read the information contained in Sections B through D on the reverse side of the employee copy.

03	<input type="checkbox"/>	I ELECT TO CONTINUE MEMBERSHIP IN CALPERS AND LEAVE MY CONTRIBUTIONS AND/OR SERVICE CREDIT ON DEPOSIT.
04	<input type="checkbox"/>	I ELECT TO CONTINUE MEMBERSHIP IN CALPERS AND ESTABLISH RECIPROCITY (AS EXPLAINED IN SECTION B) WITH ANOTHER CALIFORNIA PUBLIC EMPLOYER BY AVOIDING MEMBERSHIP WITH THE FOLLOWING PUBLIC AGENCY, WHICH PROVIDES MEMBERSHIP IN ANOTHER CALIFORNIA PUBLIC RETIREMENT SYSTEM.

(Enter name of Public Agency / Retirement System / University of California)	
CALIFORNIA STATE TAX WITHHOLDING (Before checking either box, read the information contained in the form BAS-500)	
<input type="checkbox"/> ELECT TO HAVE 2% OF THE TAXABLE PORTION WITHHELD FOR STATE INCOME TAX (APPLICABLE TO OUT-OF-STATE RESIDENTS ALSO)	

MAILING ADDRESS: Your Wage and Tax Statement (Form W-2) and any final warrants and/or retirement refund will be mailed to the address entered below.			
01	EMPLOYEE ADDRESS (Street, Rural Route or P. O. Box)	02	CITY
		STATE	03 ZIP CODE

G	EMPLOYEE/SPOUSAL/REGISTERED DOMESTIC PARTNER SIGNATURE: Spouse's/Registered Domestic Partner's signature is required for refund election. IMPORTANT-if not signed, the Justification for Nonsignature form must be completed.			
	SPOUSE/REGISTERED DOMESTIC PARTNER: I certify that I am aware of my spouse/partner's request for a refund of contributions		DATE SIGNED	
	SPOUSE'S SIGNATURE		DATE SIGNED	
	EMPLOYEE'S SIGNATURE		DATE SIGNED	

		PERSONNEL OFFICE USE		REASON FOR EMPLOYEE'S UNAVAILABILITY		REVIEWER'S SIGNATURE		DATE SIGNED		PHONE	
01	<input type="checkbox"/>	EMPLOYEE UNAVAILABLE for completion of Section D. The employee has been advised that he/she must request the disposition of his/her retirement contributions in writing directly from CalPERS.									
02	<input type="checkbox"/>	Enter the last date CalPERS contributions were or will be deducted from employee's pay. See instructions in PAM or CSU PIMS Manual.									
		LAST DATE OF CONTRIBUTIONS MO DAY YR									

DISTRIBUTION: WHITE — Personnel/Payroll Services Division YELLOW — Personnel PINK — Employee

SEPARATION/DISPOSITION OF CALPERS CONTRIBUTIONS

STD. 687 (REV. 11/2006)

**JUSTIFICATION FOR NONSIGNATURE OF SPOUSE
OR REGISTERED DOMESTIC PARTNER**

Pursuant to Government Code Section 21261, the member's current spouse or registered domestic partner must be made aware of the selection of benefits or change of beneficiary made by a member. The spouse or registered domestic partner of a CalPERS member must acknowledge the submission of a request for refund of contributions.

If a spouse's or registered domestic partner's signature does not appear on the election to terminate CalPERS membership in Section G, the following information **MUST** be completed by the member.

SOCIAL SECURITY NUMBER	MEMBER'S NAME
APPLICATION SUBMITTED (Form Name and Number)	

SEPARATION/DISPOSITION OF CALPERS CONTRIBUTIONS, STD. 687

- ☐ I am not legally married or do not have a registered domestic partner.
- ☐ I am married, but my spouse or registered domestic partner did not sign the form because:
- ☐ I do not know and have taken all reasonable steps to determine the whereabouts of my spouse or registered domestic partner; OR,
 - ☐ My spouse or registered domestic partner has been advised of the refund application and has refused to sign the written acknowledgement; OR,
 - ☐ My spouse or registered domestic partner is incapable of executing the acknowledgment because of an incapacitating mental or physical condition; OR,
 - ☐ My spouse or registered domestic partner has no identifiable community property interest in the benefit; OR,
 - ☐ My spouse or registered domestic partner and I have executed a spousal or domestic partner settlement agreement which makes the community property law inapplicable.

I CERTIFY UNDER PENALTY OF PERJURY THAT THE FOREGOING INFORMATION IS TRUE AND CORRECT.

MEMBER'S SIGNATURE	DATE SIGNED
	

SEPARATION/DISPOSITION OF CALPERS CONTRIBUTIONS


STD. 687 (REV. 11/2006)

CalPERS DIRECT ROLLOVER ELECTION FORM

IMPORTANT: The Rollover Election form must be completed and returned to CalPERS. YOUR ROLLOVER ELECTION CANNOT BE PROCESSED UNTIL THIS FORM IS RECEIVED BY CalPERS. Mail to: CalPERS, Section 445, P. O. Box 942711, Sacramento, CA 94229-2711.

DO NOT SUBMIT A TRANSFER FORM FROM YOUR FINANCIAL INSTITUTION IN LIEU OF THE FOLLOWING INFORMATION.

Please either type or print clearly.

MEMBER NAME			SOCIAL SECURITY NUMBER
STREET ADDRESS*	CITY	STATE	ZIP CODE
DAYTIME TELEPHONE NUMBER ()			
DIRECT ROLLOVER ELECTION			
ROLL OVER THE TAXABLE PORTION OF MY RETIREMENT CONTRIBUTIONS DIRECTLY TO (Type of Account)			
<input type="checkbox"/> IRA		<input type="checkbox"/> OTHER ELIGIBLE RETIREMENT PLAN	
INSTITUTION OR PLAN NAME			ACCOUNT NUMBER
*The rollover warrant will be made payable to your financial institution or plan name and mailed to YOUR address.			
I certify that the institution / plan named above is eligible under the provisions of the Internal Revenue Code to accept a rollover by direct transfer and agrees to receive my CalPERS funds and deposit them as indicated.			
MEMBER'S SIGNATURE 			DATE SIGNED



Benefit Services Division
P.O. Box 942711
Sacramento, CA 94229-2711
888 CalPERS (or 888-225-7377)
TDD - (916) 795-3240; FAX (916) 795-3988

Reply To: Section 445

Date

Name
Street
City, State Zip

Dear Member:

If you are in the process or have already separated from all CalPERS-covered employment, you will need to consider whether you want to keep your retirement contributions on deposit with CalPERS or receive a refund. **Please note that distributions made in the calendar year you attain age 70 ½ or later have special tax rules. If you are, or will be, 70 ½ this year please contact CalPERS to request a "Required Minimum Distribution" packet.**

Before making this important decision, please read all of the enclosed information. It contains information you will need to make an informed decision. If you do not understand your options as they are presented to you, please call our office at the toll free number above for clarification. Please carefully consider that a refund of your CalPERS retirement contributions is an irrevocable election to terminate your CalPERS membership and forfeit your right to future retirement, disability or death benefits, unless you are a vested member under State Second Tier.

If you are moving from one CalPERS-covered employer to another, you may not withdraw your retirement contributions. You must be permanently separated from all CalPERS-covered employment before you may terminate your CalPERS membership and receive a return of retirement contributions. In addition, CalPERS has agreements with many publicly funded retirement systems which permit movement between public employers within a specific time period without loss of retirement rights. If you are moving to a position covered under CalSTRS, Legislators' Retirement System, University of California Retirement Plan, Judges' I/II Retirement System or any of the agencies listed below, you may not be able to withdraw your retirement contributions. For additional information about your rights and responsibilities, you can download the publication "When You Change Retirement Systems" from our Web site or call us at the toll free number above.

Counties of:

Alameda	Contra Costa	Fresno	Imperial	Kern	Los Angeles
Marin	Mendocino	Merced	Orange	Sacramento	San Bernardino
San Diego	San Joaquin	Santa Barbara	San Mateo	Stanislaus	Sonoma
Tulare	Ventura				

Cities of:

Costa Mesa (safety only)	Fresno	Pasadena	San Diego	San Jose
--------------------------	--------	----------	-----------	----------

And:

City and County of San Francisco	Contra Costa Water District
CA Admin Services Authority	East Bay Municipal Utility District
East Bay Regional Park District	Long Beach Schools Business Mgt System
Los Angeles City Retirement System	Los Angeles Co Metro Transportation Authority
Retirement Plan (UCRP) University of California	San Luis Obispo County

California Public Employees' Retirement System
www.calpers.ca.gov

Please determine which bullet applies to you and read the applicable important information that should be considered before you decide to withdraw your contributions and terminate your membership in CalPERS.

- **If you have less than 5 years of service credit:** You are not a vested CalPERS member. If you decide to leave your contributions on deposit with CalPERS, you will continue to earn interest at the current rate of 6% APR and your membership will continue. No additional service credit will be earned unless you again become employed by a CalPERS-covered employer or acquire reciprocal rights with another California public retirement system. **Only if you become vested will you have the right to future retirement benefits. Exception:** If you have a job-related disability and are a safety member, you may qualify for Industrial Disability Retirement even if you have less than 5 years of service credit. Contact your employer or CalPERS for more information.
- **If you have at least 5 years of service credit and are younger than age 50:** You are a vested CalPERS member. You may leave your contributions on deposit with CalPERS, earning interest at the current rate of 6% APR. Then, once you attain age 50, the minimum age to qualify for service retirement, you can apply for retirement and receive a monthly allowance based on the service credit earned before you separated from employment. You should use the retirement estimate calculator on our Web site at www.calpers.ca.gov to find out what your allowance would be at age 50. If you are disabled, regardless of age, you may be eligible for disability retirement. Contact your employer or CalPERS for the disability retirement election/application package.
- **If you have at least 5 years of service credit and are age 50 or older:** You are a vested CalPERS member who qualifies for service retirement. You should use the retirement estimate calculator on our Web site at www.calpers.ca.gov to get an estimate of your retirement allowance before deciding if you want to withdraw your contributions, thus forfeiting your right to a monthly allowance. You may obtain a service retirement election/application package from your employer or CalPERS.

If you wish to leave your funds on deposit, you do not need to respond to this letter. You will continue to receive an Annual Member Statement every fall. If you move, please call CalPERS to update your address on our records.

If, after considering all information, you wish to withdraw your funds you may do so providing you:

- 1) **Have permanently separated from employment.**
- 2) **Are not moving to another CalPERS-covered employer.**
- 3) **Are not accepting a job covered by another California public retirement system.**

Your refund will be comprised of the retirement contributions in your account with interest at 6% through the date your payment is scheduled to the State Controller's Office. Once CalPERS receives the properly completed refund election form AND your employer has updated our system to show that you have separated from employment, it will take about 3 to 4 weeks for your payment to be issued.

Please be aware that the employer contributions are NOT refundable. The amount contributed by your employer goes into a separate fund that is used only to pay the pension portion of retirement or death benefits. If we can be of further assistance, please contact us.

**Refunds Unit
Benefit Services Division**

PERS02M0324 (05-2008)

California Public Employees' Retirement System
www.calpers.ca.gov

Page 2 of 2



Benefit Services Division
P.O. Box 942711
Sacramento, CA 94229-2711
888 CalPERS (or 888-225-7377)
TDD - (916) 795-3240; FAX (916) 795-3988

Reply To: Section 445

**REFUND TAX INFORMATION
RETAIN FOR FUTURE REFERENCE**

The following consists of summarized tax information and is provided in accordance with Section 402(f) of the Internal Revenue Code. **CalPERS cannot provide specific information or tax advice. Please see your tax consultant, the Internal Revenue Service or the State Franchise Tax Board. For additional information concerning rollovers, consult the appropriate financial institution of your choice.**

Distributions made in the calendar year you attain age 70 ½ or later have special tax rules. If you are, or will be, 70 ½ this year please contact CalPERS to request a "Required Minimum Distribution" packet.

Distributions made before the calendar year you attain age 70 ½ - The taxable portion of your refund, as an Eligible Rollover Distribution (ERD) is subject to mandatory 20% Federal tax withholding unless the taxable portion of the refund is rolled over into an IRA or other eligible defined contribution plan.

Rollovers - An Eligible Rollover Distribution (ERD) consists of the taxable portion of a refund of your contributions, including interest, due to a separation from all CalPERS-covered employment. You may avoid current taxation on the taxable amount of an ERD by rolling over that amount to an individual retirement arrangement (IRA) or another qualified employer retirement plan that accepts rollover contributions. Taxes will be reportable when you take the money out of the IRA or other qualified plan.

Early withdrawal penalty - If you are under age 59 ½ at the time of the distribution, any taxable portion not rolled over may be subject to an early withdrawal penalty tax of 10% federal and 2 ½ % state unless an exception applies, PLUS any income tax due on the distribution. There are some instances where an individual will be exempt from the early withdrawal penalty, such as:

- A lump sum distribution made to you because of your separation from service after attaining age 55 or after becoming disabled. CalPERS cannot verify that a lump sum distribution was made due to disability; therefore you should contact the IRS directly to apply for this exception.
- The 10% federal penalty tax will be waived when a lump sum distribution is made because of your separation from service as a safety member (as defined by the IRS) providing police protection, firefighting service or emergency medical service. The separation of service must have occurred during or after the calendar year in which you attained age 50.

For more information on these exceptions, please contact the Internal Revenue Service, the Franchise Tax Board, or your tax consultant.

California State Tax Withholding - If you elect to receive an in-hand distribution of your contributions, California state income tax withholding is optional. State tax, if withheld, is 2% of the taxable portion of the refund. If you elect a rollover, no state tax will be withheld.

PERS02M0325 (05-2008)

California Public Employees' Retirement System
www.calpers.ca.gov

Page 1 of 1



Refund Election Form

888 CalPERS (or 888-225-7377) • TTY for Speech and Hearing Impaired: (916) 795-3240 • Fax (916) 795-3988

Section 1

Name must be the same
as the name on your
Social Security card.

Member Information

Name (First Name, Middle Initial, Last Name)		Social Security Number
()	()	
Daytime Phone		Evening Phone
Address		
City		State ZIP

If you wish to elect a refund, and **will not attain age 70 ½ in the calendar year in which the refund is issued**, please complete and sign this form in the presence of a notary public or CalPERS employee. You may not elect a refund if you have been or will be re-employed with another CalPERS covered employer, or if you are accepting a position with another California Public Retirement System.

Section 2

Please elect *either* an
in-hand distribution
or a rollover.

Important
For direct rollover financial
institution information –
Do not submit a transfer
form that was prepared
by your financial
institution in lieu of this
completed form.

In-Hand Distribution or Rollover

☐ I elect to receive an "in hand" distribution of my CalPERS contributions and interest.

Federal Tax withholding

Federal income tax will be withheld at a mandatory rate of 20% of the taxable amount unless you elect to roll the amount into an IRA account.

State Tax Withholding

- ☐ Yes – I elect to have 2% of the taxable portion withheld for state income tax.
☐ No – Do not withhold state income tax.

Note: If you do not check one of the above choices, state tax withholding will automatically be deducted.

☐ I elect to receive a refund as a direct rollover of the taxable portion of my contributions and interest made payable to the following financial institution.

My rollover account is an () IRA Account () Other eligible rollover plan

Name of Financial Institution for IRA Account or Eligible Rollover Plan

Section 3

You must complete a
**Justification for Non
Signature of Spouse or
Registered Domestic
Partner** form if you are
married or in a registered
domestic partnership
and your spouse or
domestic partner is unable
to sign this form.

Spouse/Registered Domestic Partner Signature

If you are married or have a registered domestic partner: your spouse or registered domestic partner must also sign this form.

By signing this form, I acknowledge my spouse's/ registered domestic partner's request for a refund.

Signature Date (mm/dd/yyyy)

If no spouse / registered domestic partner signature, check below if the following applies to you:

☐ I am not legally married or do not have a registered domestic partner.

Put your name and
Social Security number
at the top of every page.

Your Name

Social Security Number

Section 4

As the member requesting
a refund you must sign this
form in the presence of a
notary public or authorized
representative of CalPERS.

Refund Election Waiver of Rights Notarized Signature

Please read and sign the following waiver of rights statement. No refund will be processed without your signature.

I am aware of my service and disability retirement rights under CalPERS. I have read the description of my rights, and the benefit calculation formula and table, set forth in the CalPERS member booklet for my specific classification. Despite my knowledge of these facts, **I hereby waive all rights and understand that by requesting a refund, I am forfeiting all future retirement benefits, unless I am a vested member under the State Second Tier.**

☐ I elect to receive a refund of my retirement contributions and interest which will terminate my CalPERS membership.

In signing this form I understand this decision is irrevocable.

Member Signature

Date (mm/dd/yyyy)

State of California

County of

On before me,

Date (mm/dd/yyyy)

Name & Title of Officer

personally appeared

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under penalty of perjury under the laws of the State of California that the foregoing paragraph is true and correct.

Notary Seal

Witness my hand and official seal

Signature of Notary Public

Date (mm/dd/yyyy)

or authorized CalPERS representative's signature.

Representative's Signature

Position Title

Date (mm/dd/yyyy)

Mail to:

CalPERS Benefit Services Division • P.O. Box 942711, Sacramento, California 94229-2711

APPENDIX

TABLE OF CONTENTS

<u>Work Schedule Codes for Full-time Employees</u>	294
<u>Sample Language for Resolution Requesting Employment Extension</u>	295
<u>Request to Work While Receiving DR / IDR Benefits</u>	296
<u>Physical Requirements of Position / Occupational Title</u>	298
<u>Reinstatement from DR / IDR Application</u>	300
<u>Furlough Reporting</u>	301

The information provided in this publication is for your convenience and reference as a general guide only and cannot be relied upon as an authoritative source for the law, practices, or policies of CalPERS. While CalPERS tries to include only accurate, timely and complete information in its publications, summaries, guidelines and other advisory printed materials, sometimes information provided in printed materials may be or become inaccurate, untimely, incomplete, unclear or misleading. In all instances, the law then in effect, not this publication, controls the application of the Public Employees' Retirement Law. It is the reader's responsibility to independently verify the accuracy of the information contained in this publication before engaging in a course of action.

WORK SCHEDULE CODES FOR FULL-TIME EMPLOYEES

	Monthly – 01	Hourly – 04
Hours per Week	Work Schedule Code	Work Schedule Code
34	147	340
34.5	149	345
35	151	350
35.5	153	355
36	156	360
36.5	158	365
37	160	370
37.5	162	375
38	164	380
38.5	166	385
39	169	390
39.5	171	395
40	173	400
41	177	410
42	182	420
43	186	430
44	190	440
45	195	450
46	199	460
47	203	470
48	208	480
49	212	490
50	216	500
51	221	510
52	225	520
53	229	530
54	234	540
55	238	550
56	242	560
57	247	570
58	251	580
59	255	590
60	260	600

	Daily – 08
Days per Week	Work Schedule Code
4.5	045
5	050

**SAMPLE LANGUAGE FOR RESOLUTION REQUESTING
EMPLOYMENT EXTENSION PER GC 21221(h)
Resolution Number**

WHEREAS, (retiree name, last 4 digits of the social security number) retired from (agency from which retired) in the position of (title of position from which retired), effective (date of CalPERS' retirement) and,

WHEREAS, the (employer's governing body* or its agent) appointed (retiree name) to the position of (title of temporary position) under Government Code section 21221(h), a position deemed to be of limited duration and requiring specialized skills, effective (date of appointment), and,

WHEREAS, (retiree name) is expected to reach his/her maximum of 960 hours this fiscal year on or about (date employment will reach 960 hours) and,

WHEREAS, due to (specific reasons for extension request) and,

WHEREAS, (retiree name) has (describe specialized skills possessed by the retiree, if applicable) and,

THEREFORE, BE IT RESOLVED by (employer's governing body* or its agent) that the CalPERS Board of Administration be requested to approve an extension in accordance with Government Code section 21221(h) for the temporary employment of (retiree name) for (number of hours requested) additional hours or through (requested end date of extension). An appointment made under this section of this subdivision may not exceed a total of 12 months.

(Signatures and other notations as per usual for resolution by employer's governing body.)

*For School employers the governing body is the County Office of Education.



Request To Work While Receiving Disability / Industrial Disability Retirement Benefits

888 CalPERS (or 888-225-7377) • TTY for Speech and Hearing Impaired: (916) 795-3240

You must complete this form in order to request approval to work for a CalPERS employer in any permanent position while continuing your disability / industrial disability retirement benefits.

Section 1

Please clearly print the requested information.

A *Physician's Report on Disability* form is not required.

Be sure to have your employer fill out Section 2 on the reverse side of this form.

Local safety disability or industrial disability retirees must also submit the position duty statement and qualifying medical documentation used at the time of their retirement.

Member Certification

Name of Member (First Name, Middle Initial, Last Name)

Social Security Number

Address

City

State

ZIP Code

Country

()
Daytime Phone

()
Fax Number

E-Mail Address

I understand this is a formal request for permanent employment under Government Code Section 21228 and that my employment offer is contingent upon written approval from CalPERS. I must advise CalPERS of any changes to my salary or employment (for e.g. lateral transfer or promotion) and receive approval before beginning any new permanent position. A consequence of unlawful employment may result in mandatory reinstatement from retirement into the position I am currently working, retroactive to my hire date.

I also understand that the position I am applying for must be significantly different than the one from which I retired. I am subject to an earnings limitation so that the total of the pension portion of my retirement allowance and employment earnings will not exceed the current (gross) salary of the position from which I retired.

I have attached a position duty statement of the job and a completed *Physical Requirements of Position/ Occupational Title* form. I have also attached a current medical report completed and signed by a physician specializing in the condition for which I retired on disability/industrial disability retirement. The physician is a medical specialist who certifies that he/she has examined me, reviewed the attached position duty statement and *Physical Requirements of Position/Occupational Title* form and indicates whether or not I am able to perform all of the tasks without any restrictions or limitations.

Member Signature

Date (mm/dd/yyyy)

This form continues on the back.

Put your name and
Social Security number
at the top of every page.

Your Name Social Security Number

Section 2

Permanent employment
or changes in employment
status (e.g., lateral transfer
or promotion) that begins
prior to written approval
from CalPERS may result in
mandatory reinstatement.

Employer Certification

It is the intent of: _____ to hire: _____
Employer CalPERS Member
in the position of: _____ pursuant of Government Code Section 21228;
Job Title
and contingent upon written approval from CalPERS.

Employer Address (City, State, ZIP Code)

Daytime Phone Fax Number E-Mail Address

We understand that reinstatement of the retiree, due to unlawful employment, to any position within
our agency, may result in penalties and payment of contributions to CalPERS, retroactive to retiree's
date of hire.

The salary range for this position is: _____ hourly/monthly.

Employer Signature Date (mm/dd/yyyy)

Print Name of Authorized Personnel Classification Title

Mail to:

CalPERS Benefit Services Division • P.O. Box 2796, Sacramento, California 95812-2796

PERS07M0044DMC (12/10)



Physical Requirements of Position/Occupational Title

888 CalPERS (or 888-225-7377) • TTY for Speech and Hearing Impaired: (916) 795-3240 • Fax: (916) 795-1280

Section 1

This form must be completed by the member and their employer to supplement, if any, the physical requirements listed on the member's duty statement/job description.

Member Information

Name of Member (First Name, Middle Initial, Last Name)		Social Security Number
Position/Occupational Title	Name of Employer	
Worksite Street Address		
City	State	ZIP

Section 2

Indicate with a check mark (✓) the frequency required for each activity listed at the right.

Physical Requirements Information

Activity	Never	Occasionally Up to 3 hours	Frequently 3–6 hours	Constantly Over 6 hours	Distance/ Height
Sitting					
Standing					
Running					
Walking					
Crawling					
Kneeling					
Climbing					
Squatting					
Bending (neck)					
Bending (waist)					
Twisting (neck)					
Twisting (waist)					
Reaching (above shoulder)					
Reaching (below shoulder)					
Pushing & Pulling					
Fine Manipulation					
Power Grasping					
Simple Grasping					
Repetitive use of hand(s)					
Keyboard Use					
Mouse Use					
Lifting/Carrying					
0 – 10 lbs.					
11 – 25 lbs.					
26 – 50 lbs.					
51 – 75 lbs.					
76 – 100 lbs.					
100 + lbs.					

Continued on page 2.

Put your name and Social Security number at the top of every page.

Your Name

Social Security Number

Section 2 (continued)

Indicate with a check mark (✓) the frequency required for each activity listed at the right.

If there is not enough space to enter all your additional requirements or comments, attach a separate sheet. Be sure to use a label, or clearly write your name and Social Security number on each attachment.

Physical Requirements, continued

Activity	Never	Occasionally Up to 3 hours	Frequently 3–6 hours	Constantly Over 6 hours	Distance/ Height
Walking on uneven ground					
Driving					
Working with heavy equipment					
Exposure to excessive noise					
Exposure to extreme temperature, humidity, wetness					
Exposure to dust, gas, fumes, or chemicals					
Working at heights					
Operation of foot controls or repetitive movement					
Use of special visual or auditory protective equipment					
Working with bio-hazards (e.g., blood-borne pathogens, sewage, hospital waste, etc.)					

Section 3

This form must be completed and signed by you and your employer and sent to a medical specialist along with other documentation.

The medical specialist must be the treating physician specializing in your disabling condition.

Signature of Employer and Member

If you are a Disability Retirement Election applicant, your employer must provide you a copy of this completed form. Your employer must send the signed original to CalPERS.

Also, you must attach your current job description/job duty statement and a copy of the *Physical Requirements of Position/Occupational Title* form to the *Physician's Report on Disability* form prior to sending them to a medical specialist. Complete document submittal requirements are described in *A Guide to Completing Your CalPERS Disability Retirement Election Application*.

If you are a Request to Work While Receiving Disability/Industrial Disability Benefits applicant, you must attach the job description/job duty statement of the prospective job to a copy of the completed *Physical Requirements of Position/Occupational Title* form prior to sending them to a medical specialist. You must submit the resulting medical report and other required documents to CalPERS. The *Physician's Report on Disability* form is not required. Complete document submittal requirements are described in *A Guide to CalPERS Employment After Retirement*.

Signature of Employer Representative

Date (mm/dd/yyyy)

Title

Phone Number

Signature of Member

Phone Number

Date (mm/dd/yyyy)

Mail to:

CalPERS Benefit Services Division • P.O. Box 2796, Sacramento, California 95812-2796



Reinstatement from Disability/Industrial Disability Retirement Application

888 CalPERS (or 888-225-7377) • TTY for Speech and Hearing Impaired: (916) 795-3240

If you are reinstating from service retirement, do not use this form. Refer to the Reinstatement from Service Retirement Application in this publication.

Section 1

Completing this form is a formal request to reinstate into active membership with a CalPERS-covered employer.

Member Certification

Name of Member (First Name, Middle Initial, Last Name) Social Security Number

Address

City State ZIP

I request reinstatement into active CalPERS membership with the following employer, in the following position. I understand that reinstatement can change the benefits I receive now and the benefits I am entitled to in the future.

Name of Employer Job Title Hire Date (proposed) (mm/dd/yyyy)

Signature of Member Date (mm/dd/yyyy) Phone

Section 2

Safety Members Requesting Reinstatement Under Government Code 21197

- ☐ I am requesting reinstatement from an industrial disability retirement into a miscellaneous position under Government Code Section 21197. I have read the Reinstatement from Disability or Industrial Disability Retirement section of this booklet and understand the requirements of this provision.

Section 3

Complete this section if reinstatement is to a different position from which retired. Please attach duty statement.

Employer Certification

It is our intent to hire for the following:

Name of Employer Job Title

Name of Member

Authorized Signature

Title Date (mm/dd/yyyy) Phone

This offer is contingent upon written approval from CalPERS.

Mail to:

CalPERS Benefit Services Division • P.O. Box 2796, Sacramento, California 95812-2796

Furlough Reporting

Trial Courts

Senate Bill 75 requires retirement service credit and compensation earnable for CalPERS members employed by a trial court that are subject to mandatory furloughs during the 2009-2010 fiscal year be based on the amounts had the employee not been subject to mandatory furloughs.

To ensure members subject to the mandatory furloughs receive the proper service credit and retirement benefits, the following guidelines must be followed.

Two payroll entries, per pay period will be required for each member.

1. Report a reduced pay rate, attributed to the furloughs. This reduced pay rate will not be used for retirement calculations. Report the actual earnings.
2. Report a retroactive salary adjustment to bring the pay rate back up to the correct amount. Report the earnings as \$0.02.

If your reporting method is...	Then report the retroactive salary adjustment...
Pre-list or Create Payroll File in ACES	With your current payroll or on a supplemental payroll (PERS-AESD-624).
CalPERS Payroll reporting System	Using a supplemental payroll (PERS-AESD-624) or wait for the next service period to report the adjustment.

Example: Michael Santos has a normal monthly pay rate of \$3841.000. He is subject to one furlough day per month; each furlough day is a reduction of 4.615% of pay rate. His payroll would be reported as follows using the Supplemental Payroll Reporting Form (PERS-AESD-624):

(1)	(2) Mbr Name			(3)	(4) Service Period			(5)	(6)	(7)	Member Paid Contrib			(11) Survivor	(12) Work	(13)	Tax-Deferred								
	Last Name	F	M		Coverage	Mo	YR				Type	Pay	Pay				Member	(8)	(9)	(10)	Contrib	Schd	Unit	Mbr contrib	
																								(14)	(15)
SSN				Group	Mo	YR	Type	Code	Rate	Earnings	Rate	Code	Amt.	Amount	Code	Code	Code								
000-00-0000	SANTOS	M	R	70001	01	10	0	01	3663.74	3663.74	0.0700	00	0.00	0.00	173	000	11	247.13							
000-00-0000	SANTOS	M	R	70001	01	10	0	01	3841.00	0.02	0.0700	00	0.00	0.00	173	000	15	0.00							

THIS PAGE INTENTIONALLY LEFT BLANK